

THE CREATIVE ECONOMY IN MAINE

Measurement and Analysis

prepared for the

New England Foundation for the Arts

and

Maine Arts Commission

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SUMMARY OF FINDINGS AND RECOMMENDATIONS

Creative Economy Development in Maine

The Creative Economy is today a large and important part of the Maine economy. The data presented here show that both the arts and culture and technology sectors of the Creative Economy are large and growing. The arts and culture industries have been particularly strong in employment growth at a time when major parts of the technology industries have seen significant employment declines. While concentrated in the urban areas, the arts and culture industries may be found throughout Maine, and it is outside of the urban counties that the arts and culture economy particularly blooms during the summer season.

By its nature, the Creative Economy's innovations in products and services are the leading edge of growth in the Maine economy. Both the arts and culture and technology sectors play key roles in this innovative process, although their roles are somewhat different. Innovation in the technology sector allow Maine to stay competitive in global markets such as forest products, and to play a growing role in the faster growing industries such as biotechnology and advanced materials.

The arts and culture industries within the Creative Economy play three important roles:

- **As an export industry closely connected to tourism and recreation.** While environmental resources such as the coast, lakes and mountains remain the cornerstones of Maine's tourism industry, the arts and culture elements are an increasingly important part of Maine's attraction. In the 2002 study of the tourism market for Maine, Longwoods Inc.¹ reports that tourists find historical sites and museums, art museums and galleries, and arts and crafts all part of the attractions of Maine. Visitors mention art museums and galleries and historical sites as important to their visits in Maine more often than a national reference sample. The role of the arts and culture in Maine tourism is also evidenced by the seasonal growth in the performing arts and heritage industries.
- **As a key element in Maine's quality of life.** The arts and culture industries provide to Maine residents the same services as to tourists enhancing the quality of life in Maine. Their growth has been particularly important as more and more arts-related activities that were once available only in larger cities have come to Maine. The Portland Museum of Art and the Farnsworth Museum in Rockland are key examples of this long-term trend. In economic development theory, this is known as "import substitution" – the ability to produce locally what once had to be purchased outside the state. With more arts and cultural services available in Maine, the state is able to both attract and retain a highly mobile workforce for which quality of life considerations are an important element in location decisions.
- **As a cluster of economic activity in its own right.** With as many employees as the wood products industry, the arts and culture sector must be seen as a sizable force in its own right. Its economic role extends beyond the direct and indirect employment and wages it creates, however. Firms in such industries as industrial and graphic design, advertising and the

¹ Longwoods Inc. *The 2002 Maine Travel and Tourism Study*, Maine Office of Tourism, Augusta. "Tourists" are defined as those who choose to travel to Maine for recreation and stay at least one night.

media interact with firms and individuals in such areas as visual arts and music to provide services to firms throughout the Maine economy. Part of the economic benefit of this growth is the import substitution effect noted above, and part is the growth of a self-sustaining and -reinforcing “cluster” of economic activities.

The cluster nature of the technology industries has already been examined in Maine.² The present analysis provides only a preliminary look at the measurement of the arts and culture cluster in Maine. More analysis of the inter-relationships among the public, non-profit and for-profit organizations involved is needed to determine how this cluster may strengthen its role in the economy.

These important roles point to several general strategies to enhance the role of the arts and culture sector in Maine’s economy, including:

Recommendation 1: Enhance the Role of the Arts and Culture in Tourism. Development efforts for tourism already focus increasingly on incorporating arts and cultural attractions into the package of services marketed to tourists. However, the arts and culture are not seen as the strongest part of the visitor’s experience in Maine, according to the Longwoods study. Enhancing both the quantity and quality of arts and cultural experiences, and making sure the enhancements are effectively marketed will be an important element in strengthening both the arts *and* tourism.

Recommendation 2: Strengthen the Creative Cluster. The precise nature of the inter-relationships among the various industries – what Michael Porter calls the “related and supporting organizations” such as higher education and public agencies such as the Maine Arts Commission – has not been explored within a “cluster” framework. The study of cluster relationships in the technology sector showed the value of enhancing inter-relationships. The Maine legislature has established a “cluster enhancement” program of grants by the Maine Technology Institute that may be used for a wide variety of purposes to strengthen the cluster, as opposed to specific firms or industries. While the technology cluster enhancement program is still relatively new, it might well serve as a model for a similar program for the arts and culture industries.

Six additional recommendations proceed from analysis of Maine’s creative workforce and case studies of the Creative Economy in eight small and medium-sized New England communities.

Creative Workforce Development in Maine

There are different definitions of what constitutes a “creative workforce.” For this analysis, the creative workforce of 14 occupations used in the New England Council’s 2000 report, “The Creative Economy Initiative,” is expanded to include 20 others, all related to media, publishing, and crafts.³ A review of the New England economy since 1996, using the narrower definition, shows that the region has a relatively larger creative workforce than the nation as a whole. This regional competitive advantage has lessened somewhat since 1996.

Using the expanded creative workforce definition to characterize Maine, 2000 census data shows it containing 17,411 members, or about 2.7 percent of the state’s workforce. In New England, this set

² See Colgan, Charles S. et al., Assessing Maine’s Technology Clusters. Maine Science and Technology Foundation, Augusta, 2000.

³ See New England Council, *The Creative Economy Initiative: The Role of the Arts and Culture in New England’s Economic Competitiveness*, Boston, June 2000, prepared by Mt. Auburn Associates.

of occupations represents 206,265 persons, or 2.9 percent of the workforce. Maine's creative workforce thus represents a slightly smaller share of its total workforce than does New England's; this may reflect the fact that New England as a whole is more urban than Maine, and urban places tend to attract creative workers.

Compared to the state's workforce as a whole, the members of Maine's creative workforce:

- Are older than members of the entire workforce, are in the same percentage women, are of the same ethnic composition, and are slightly less likely to be married;
- Have significantly more formal education. Some 44 percent have earned at least a bachelor's degree, compared to about 25 percent in the workforce as a whole;
- Are less likely to be unemployed than workers overall;
- Are much more likely to be self-employed, are less likely to work for for-profit organizations, and are equally likely to work for non-profit or government agencies as are members of the workforce as a whole;
- Have lower annual earnings than the average member of the workforce, despite the fact that they have more education. This is not true for New England, where creative workforce members have roughly the same annual earnings as the rest of the workforce; and
- Have average *household* incomes that are roughly equal that of the state workforce. For New England, the average household income of creative workforce members significantly exceeds the average of those in the entire workforce. This is known as the "Supportive Partner Effect."

Maine's endowment of creative workers, regardless of definition, puts it at the low end among the New England states, in terms of their percentage in the state's labor force. Recall, however, that this is a region which has above average endowments of creative workers relative to the nation as a whole; by national standards, Maine remains well-endowed!

While in many respects Maine's creative workers have characteristics similar to those in all of New England, some differences stand out. In particular, Maine's creative workers have less formal education and, partly as a consequence, lower earnings. Other factors that likely contribute to the earnings disparity include less access to larger labor markets, such as Boston and New York, and to high-paying jobs in particular occupations. Offsetting these factors are a lower cost of living and, arguably, a more attractive rural environment that appeals to many of the state's residents. That the status of many creative jobs relies in part on tourism is a mixed blessing, as the country's population center of gravity continues to move away from Maine and energy prices rise.

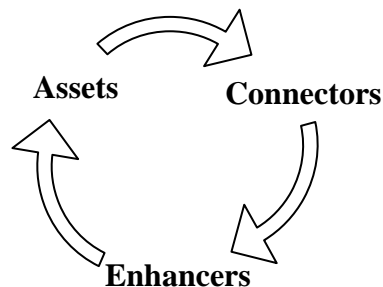
Of these challenges facing Maine's creative workers, the one most amenable to public policy is education. Narrowing the regional education gap, both among creative workers and the entire labor force, will benefit the state greatly. Higher-paying jobs, in turn, will make the state's labor markets more attractive to non-residents. Increasing educational standards is not a simple task that can be done in a short amount of time; but given Maine's location within a region renowned for its educational institutions and its highly-educated workforce, it is a task worth pursuing.

Recommendation 3: Prepare the Workforce. *All* of the Creative Economy depends upon a highly educated workforce. Maine has substantial scientific and technical training related to the technology sector from high school through university, including the community colleges. There are

similar opportunities in many of the skills needed by the arts and culture industries, many of which are of very high quality. However, there are few educational opportunities in Maine in areas such as industrial design, and there remain issues about the adequacy of arts education in many K-12 school systems. A thorough review of the workforce development programs and capacity for the arts and culture industries in Maine would provide a road map to making sure that this most critical element in the Creative Economy – the workforce – is continuously expanded and renewed.

Community Development Strategies for the Creative Economy

The developmental model presented here (which we refer to as the *ACE* Model) identifies five key “assets” of the Creative Economy at the community level, three “connectors” and two “enhancers” (time and money). It further identifies the connectors as the critical variables in Creative Economy growth and development. Development of the key assets depends on the presence or absence, strength or weakness, and combined effects of **leadership**, **networks** and **strategy**. These connectors determine the availability of enhancers and their effective application to the asset base: strong leadership can cut short the length of time needed to see results (as in Pawtucket); poorly developed networks can erase the potential effects of a federal grant (as in the St. John Valley); and in the absence of effective strategy, stasis or even erosion may result (as in Portland).



Beyond this, what we have learned about the Creative Economy in small cities and rural places may be summarized as follows:

- **Creative assets vary greatly from place to place.** As the cases illustrate, the presence of creative assets is not limited by population size. Smaller places may have fewer creative people, smaller centers of education or greater distance from major highways or airports; but diversity appears more important than the relative size or strength of the assets. Two restaurants, one theater and a community college in Dover-Foxcroft may have the same impact on local economic development as two dozen restaurants, seven cultural organizations, and the nearby University of Maine in Bangor. The diversity of assets is the underpinning for each location’s “authenticity,” a term we heard over and over from respondents. It argues that the Creative Economy will not have a uniform look across rural Maine or New England.
- **Strategies for resource leveraging also vary.** The model of assets, connectors and enhancers imposes a structure that helps to make sense of the process, but as the cases show, application of the model shows considerable variation. Each community has focused on different combinations of assets and on different ways to connect them. More dense and formal connections tend to develop through the enhancers. Even without time or money,

however, the case studies reveal a variety of strategic applications that contribute to development.

- **Asset identification appears to be the essential first step.** It is the one common point in the model shared by all eight cases. Where assets are emerging or absent, usually in the smaller places, the next steps of connecting and enhancing them to sustain, grow and acquire more assets has not been taken, or are relatively recent efforts. Again, the size of the asset base by itself is not a predictor of where a town may be on the model. Dover-Foxcroft, for example, has more in common with Pawtucket than it does with the other rural cases in terms of the relative strength of its connectors and how it is using them.
- **Sustaining the Creative Economy is a challenge.** Gentrification can thwart continuing development efforts, especially in cities that have been through the cycle in the model more than once. As these places draw greater economic activity to their downtowns and blighted industrial areas, property values and rents increase, making it more difficult for artists and small local businesses to remain. In Burlington's South End, where business and artists are attracted to the neighborhood's "interesting, funky" atmosphere, the city is tightening zoning laws and has plans to make physical changes to upgrade sidewalks and lighting—a change one informant fears might alter the neighborhood's original appeal. Respondents in the St. John Valley are already concerned about future sustainability, even as they are just starting out: how will they sustain the creative assets that leverage economic development without losing them in the process?

These findings and considerations lead to five further general strategies for Creative Economy development at the community level.

Recommendation 4: Encourage Asset Mapping. Asset identification is critical, and not only to enumerate the potential universe of resources. Finding authenticity—what is unique and special, singly and in combination—is an important goal in identifying a community's assets. The arts have received the closest scrutiny in the literature and in many of our cases have taken the front seat as the principal economic driver. Our research suggests that the built environment (historic preservation) and the natural environment can offer the same stamp of authenticity; taken together, they create the individual identity of a place that draws people to it.

Recommendation 5: Develop Regional Approaches. Size can be offset by operating to scale and, especially, by taking collaborative approaches to development. Proximity to Providence is a clear benefit for Pawtucket; an abundance of creative-types five minutes away in need of cheap studio space was the genesis of the Creative Economy there. Norway is proud of its close ties to six other towns in the Oxford Hills. Dover-Foxcroft intentionally markets itself as part of the “Maine Highlands.” The St. John Valley has cultural links that span a large swath of Maine and nearby Canada. Each of the three most rural cases is deliberately pursuing its historic regional connections to its advantage, as it develops a Creative Economy.

Recommendation 6: Identify and Cultivate Leadership. In each of eight cases, efforts to develop the Creative Economy were initiated by one or more leaders and sustained by their continuing commitment over a period of years. These leaders are necessary for the vision and sustained motivation behind community efforts. They help communities understand the importance of the Creative Economy and encourage engagement of people from the public, private and nonprofit sectors.

Recommendation 7: Build and Extend Networks Across Sectors. Bangor is inaugurating a cultural policy that will support nonprofit organizations with public funds. Dover-Foxcroft has a key partnership between a private company and a nonprofit artists' cooperative. Burlington's South End Arts and Business Association is a nonprofit that encourages businesses and artists to work with the City to sustain the creative sector in its neighborhood. Providence's Call-to-Action involves broad stakeholder involvement from public, private and nonprofit sectors. *Connections that transcend sectors* appear indispensable to initiating and ensuring the longevity of a development effort, and to broadening its impact within the community.

Recommendation 8: Develop and Implement Strategies. Key elements among the connectors are the explicit strategies that communities adopt to support and sustain their creative economies. These strategies go beyond single, isolated policies such as tax breaks for artists that may or may not have an impact on the economy. Instead, they are long-range approaches involving a multi-faceted plan for developing a Creative Economy. For instance, in Pawtucket, artists did not know about tax break opportunities until the city adopted a “customer-friendly” strategy to promote incentives, and help creative workers find living/working spaces in the city.

Finally, a most promising resource available to communities for the critical purpose of asset identification is the New England Cultural Database (NECD). The database is an online data warehouse of financial, demographic, and related information about creative industry businesses, cultural organizations and individual artists throughout New England. It offers a comprehensive, searchable tool with information that is geographically coded, allowing searches and a variety of inventories and analyses based on location.

Building in stages throughout 2004-06, the New England Cultural Database will eventually include all of New England's Creative Economy, with comprehensive information on creative industry businesses, nonprofit cultural organizations and individual artists. A system of tiered admittance will provide access to information in the database.

The New England Cultural Database currently contains information on a total of 18,112 New England organizations – including 4,944 commercial establishments, 13,168 non-profits and 1,095 artist groups. Maine represents 2,242 of these organizations – including 594 commercial establishments, 1,648 non-profits and 93 artist groups.

Public information in the New England Cultural Database is available online at www.newenglandarts.org

INTRODUCTION

On May 6 and 7, 2004, almost 700 people from throughout Maine and New England came together at the Bates Mill complex in Lewiston, Maine, to celebrate and explore the Creative Economy in Maine. The occasion was a Blaine House Conference on Maine's Creative Economy convened by Governor John E. Baldacci to:

- help inform the general public and present the Creative Economy concept and case studies;
- develop strategies and policies to act on opportunities to use the Creative Economy approach in Maine's community and economic development efforts; and
- adapt current urban Creative Economy model findings to this rural state.

The research results reported here were prepared for presentation to the conference with the generous support of the New England Foundation for the Arts and the Maine Arts Commission. Proceedings of the Blaine House Conference are available on the Arts Commission's website, www.mainearts.com⁴

The express purpose of this collaboration among the New England Foundation, the Maine Arts Commission and the research team was to extend the growing body of knowledge, concepts, and data associated with the "Creative Economy" to a rural state. It is an appropriate, logical next-step in the series of studies in recent years to establish the connections among creativity, creative persons and organizations, and community and economic development at the regional and local levels.

For several decades the New England Foundation for the Arts has reported on New England's nonprofit cultural sector and, especially, its economic impacts throughout the region. In 1996, two members of the research team, Gregory Wassall and Douglas DeNatale, found that New England's cultural non-profits generated revenues of \$3.9 billion supporting some 110,000 jobs, raising the question of whether the arts and culture were playing a larger role in the regional economy than had previously been recognized. The New England Council thereupon commissioned a study by Mt. Auburn Associates of Somerville, Mass., to assess the scale and scope of the cultural industry in the region across the nonprofit *and* for-profit sectors.

In 2000 Mt. Auburn Associates' ground-breaking research identified the Creative Economy as a major economic driver in New England.⁵ Their report defined a "creative cluster" of enterprises and individuals engaging in cultural products that represent fully 3.5 percent of the region's total job base – larger than the software or medical technology industries – and was growing faster than the regional economy as a whole. The report also identified "creative workers" in specific cultural and artistic occupations, within and without the creative cluster, representing more than two percent of the regional workforce. For the first time, the composition of the Creative Economy had been defined and measured across the nonprofit and for-profit sectors, and its contribution to the region's well-being was established as significant and meaningful. The report concluded that "it is this creative cluster of activity that gives New England a significant advantage in the increasingly intense competition for highly skilled employees."

⁴ In July 2004, in Washington, D.C., the Blaine House Conference on Maine's Creative Economy was awarded the 2004 Innovation Award by the National Assembly of State Arts Agencies.

⁵ New England Council, *The Creative Economy Initiative: The Role of the Arts and Culture in New England's Economic Competitiveness*, Boston, June 2000, prepared by Mt. Auburn Associates.

The Mt. Auburn Associates report spurred the regional business community to action and in June 2001 the New England Council published its call to action, “The Creative Economy Initiative: A Blueprint for Investment in New England’s Creative Economy.” This included a recommendation for a continuing program of research (in partnership with the New England Foundation) to update the Mt. Auburn Associates report annually and address other needs of the region’s cultural industry. The first update was published in December 2003.⁶

In 2002, Richard Florida of Carnegie Mellon University, published his popular and influential study, *The Rise of the Creative Class – And How It’s Transforming Work, Leisure, Community, and Everyday Life*.⁷ Florida’s “creative class” of workers embraces a *far* larger array of job classifications than that used by Mt. Auburn Associates, one that would at once yield far more dramatic results in terms of its role in the New England economy, and frustrate attempts to place meaningful boundaries for research and policy purposes around the term, “Creative Economy.”

As is often the case with very popular economic writings, Florida’s seminal work has come in for criticism on a number of grounds, not least of which is that it is, if anything, an exclusively urban model of development and one with serious class overtones. Indeed, in his keynote address to the Blaine House Conference on Maine’s Creative Economy in May 2004, Florida made exclusive reference for illustration of his argument to the settings of Pittsburgh, Seattle, San Jose, Austin, and Cambridge/Boston.

Still, Florida’s remarks were very warmly received, notably for his observation that *creativity* is today the key to the economy and the source of economic well-being – as opposed to more traditional approaches to industrial recruitment and job creation. In contrast to an economy based on resource extraction, physical labor, and tax breaks, he argued, human creativity is *the* propulsive force in today’s economy; that creativity comes from people and must be nurtured; and that creative people want to live in “authentic places” with active recreation, vibrant arts and culture, and a work culture that is diverse and inclusive and values the individual. “The three T’s” – technology, talent and tolerance – are the keys for Florida, none sufficient in itself and all necessary to drive today’s economy.

Florida urged his audience to seize for Creative Economy development upon the state’s natural beauty, its cultural assets and its proximity to Cambridge/Boston, Canada and Europe; to be strategic in building upon these assets; to be authentic in *all* things developmental, including Maine’s agriculture, fisheries and forest products; to build a *people* climate for investment; and to be an example to the nation in building the Creative Economy!

How, then, are we to apply the idea of the Creative Economy to a largely rural place like Maine? We begin here from the propositions that creativity is in fact indispensable to all business growth and development in today’s global competitive environment; and, second, that there is at present no single, widely accepted definition of the Creative Economy, and no easily accessible body of standard data to measure it, its extent, and its impacts. Indeed, virtually all existing standard data were developed to describe and analyze the manufacturing-based industrial economy that, Florida argues, has given way to the Creative Economy.

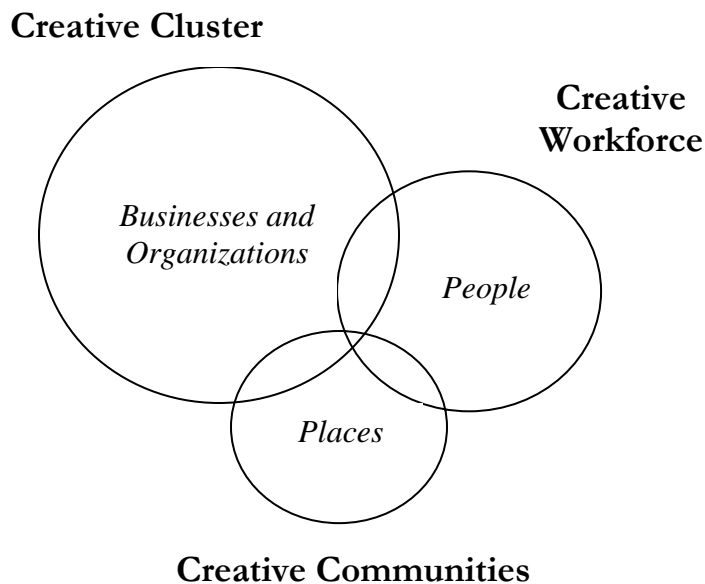
⁶ Gregory H. Wassall, *New England’s Creative Economy: An Update*, prepared for the New England Council by the New England Foundation for the Arts, December 2003.

⁷ Basic Books, New York, 2002.

In this study we build directly upon the work begun by Mt. Auburn Associates. First, Charles Colgan looks at Maine’s creative industries and through skillful manipulation of standard industrial data, develops an “enhanced” cluster of creative industries appropriate to this rural setting, consisting of the technology and the arts and culture sectors. In the second section, Gregory Wassall uses census data to create a similarly enhanced measure of the creative workforce that (serendipitously and reassuringly) yields a similar estimate to Colgan’s of the size and importance of Maine’s Creative Economy.

In the third section Deborah Smith and Jennifer Hutchins present case studies of eight New England communities, ranging from medium-sized to very small, and distill from them a model of Creative Economy development, the basis of which is creative asset assessment and enhancement. Finally, in the fourth section Douglas DeNatale introduces the New England Cultural Database (NECD), a cross-sector database that promises to become the region’s pre-eminent asset identification opportunity and resource.

Together, these pieces are offered as a first attempt to define the Creative Economy of a rural state in both quantitative and qualitative terms; to make it meaningful to lay-persons and decision-makers, alike, and to offer a set of general policy recommendations for bringing it front and center in the state’s overall development efforts. Together, they build upon and, we hope, give greater definition and depth to the New England Council’s characterization of the Creative Economy as the intersection among its creative businesses and organizations, creative workers, and creative communities, as illustrated here:



While principal authorship of each section is indicated above, the report is the product of a collaboration among the members of the research team, who include Richard E. Barringer (principal investigator), research professor at the Edmund S. Muskie School of Public Service, the University of Southern Maine; Charles S. Colgan, professor at the Muskie School; Douglas DeNatale, Ph.D., a consultant in private practice; Jennifer Hutchins, communications specialist at the Muskie School

and 2004 master's degree recipient; Deborah Smith, director of the Pejepscot Historical Society and Ph.D. student at the Muskie School; and Gregory H. Wassall, professor of economics at Northeastern University.

The members of the research team wish to express special thanks for their support of this effort to Sam Miller and Aria Goldenbaum of the New England Foundation for the Arts, Garrett Kimberly of the New England Council, Alden Wilson and Bryan Knicely of the Maine Arts Commission, Pat Puschock of the Maine Center for Business and Economic Research and Tom Wood and Linda Grace of the Muskie School of Public Service at USM. Linda Grace in particular assisted with editing and layout of the report.

Finally, and in particular, we express deep appreciation to all those who provided the information, comments, and insights that form the basis for the eight case studies reported in section three of this report. They include Kristen Andresen of the *Bangor Daily News*, Ed Barrett of the City of Bangor, Sally Bates of the City of Bangor, Daniel Baudouin of the Providence Foundation, Alan Bray of East Sangerville, Anne Campbell of Norway Downtown Revitalization, Beth Ashman Collins of the Rhode Island Economic Policy Council, Steve Conant of Conant Custom Brass, Don Cyr of the Association Culturelle et Historique du Mont-Carmel, Thomas Deller of the City of Providence, Brett Doney of Enterprise Maine, Ralph Gabarro of the Mayo Regional Hospital, Ann Galligan of Northeastern University, Gail Geraghty at the *Lewiston Sun Journal*, Roger Gilmore of Portland, Candy Guerette of the Bangor Region Chamber of Commerce, Mark High of Casco Bay Books, Debi Irons of Art Moves Dance Company, Alex Jaegerman of the City of Portland, Sheila Jans of the Quebec-Labrador Foundation, Susan Jonason of the Bangor Symphony Orchestra, Doreen Kraft of Burlington City Arts, Robert Leaver of New Commons, Michael Levine of the Vermont Council on Culture and Innovation, Tom Lizotte of the Mayo Regional Hospital, Nikki Millonzi of Norway, Ken Morse of Grassroots Graphics, Lisa Ornstein of the Acadian Archives/Archives Acadienne at the University of Maine at Fort Kent, Russ Page of Moosehead Manufacturing Outlet Store, Representative Rosaire Paradis of Frenchville, Judy Paradis of Frenchville, Richard Pattenau de of the University of Southern Maine, Lorna-Kay Peal of the South End Arts and Business Association, John Rohman of WBRC Architects-Engineers, Merlene Sanborn of the Penquis Higher Education Center, Bill Shubart of Resolution, Inc., Bruce Seifer of the City of Burlington, Joan Fowler Smith of Peabody MA, Tracy Michaud Stutzman of the Maine Highlands Guild, Jessica Tomlinson of the Maine College of Art, Lee Urban of the City of Portland, Andrew Versoza of the Portland Arts and Community Alliance, Christine Vincent of the Maine College of Art, Herb Weiss of the City of Pawtucket, John Wentworth of Moosehead Manufacturing, Cliff Wood of the City of Providence and Nancy Wood of the Burlington Business Association.

We are deeply grateful to them all.

R.B.
Portland, Maine
July 26, 2004

1. THE CREATIVE INDUSTRIES IN MAINE

As noted above, creativity is fundamental to the long term success of all businesses and organizations today, and so at some level the Creative Economy in Maine is the entire economy. Some industries, however, are much more heavily reliant on a steady flow of creative ideas in order to survive. Some of these industries have been identified as particularly dependent on the creative process leading to technological innovation. Indeed, spurring creativity and innovation has been at the heart of the greatly increased attention that Maine state government has paid in recent years to encouraging research and development.

To go forward in encouraging Maine's Creative Economy we need to understand where we start from and how we got to where we are. Here, we consider the creative organizations in Maine and their employment and wages, with a focus on arts and culture organizations, including an assessment of Maine's key technology sectors. In the next section we consider people employed in creative occupations in the arts.

This analysis uses data from the Maine Department of Labor that contains the monthly reports of employment and wages for all establishments (locations of employment) in Maine. The data excludes most self-employment, but covers about 90 percent of employment. Data is presented for 1997 and 2002, the most recent year for which complete data is available at this time.

DEFINING THE CREATIVE INDUSTRIES

The focus of this analysis is largely on the creative industries that are associated with arts and culture, here characterized as the "arts and culture sector"; and to reflect the broader application of creativity in the economy, we also include the technology-related sectors that are the focus of recently expanded research and development assistance by the State of Maine.

In this study, industries are defined by reference to the standard industrial classifications, while sectors are larger groupings of industries. There are two levels of sectors used. Two broad sectors, the arts and culture sector and the technology sector are the two broad parts of the Creative Economy. Each of these broad sectors has several subsectors which group similar industries together.⁸

The industries comprising the arts and culture sector were selected first by reference to the study conducted by Mt. Auburn Associates for the New England Council in 2000. Industries in that study were defined using the North American Industrial Classification (NAICS). We have added to this list several industries that provide a more inclusive picture of those associated with arts and culture to create an "enhanced" view of the arts and culture sector. This enhanced list is reflected in the analysis of occupations contained in the next section of this report. Finally, we reorganize the definitions of the broad sectors to be examined by creating an "Education" subsector.

⁸ Conceived in this fashion, the Creative Economy is the sum of the technology sector and industries plus the arts and culture sector and industries; or most succinctly, $CE = TE + AE$, the Creative Economy equals the sum of the technology economy and the arts economy.

The definition of the industries comprising the technology sector is taken from a study of the seven technology sectors designated by the Maine legislature and prepared for the Maine Science and Technology Foundation by Colgan et. al. Consideration of the technology industries extends the definition of the Creative Economy beyond that proposed by Mt. Auburn Associates. The industries selected for examination match as closely as possible the industries discussed by the legislature in developing the research and development assistance programs in 1998-1999. One of the sectors designated by the legislature, environmental technologies, cannot be matched to any specific industries, as the legislature chose to define a market use for specific technologies rather than industries producing them. Table I lists the technology industries.

In the discussion of change in employment and wages over time, it was necessary to define the arts and culture and technology industries on a consistent basis for both 1997 and 2002. Records for 2002 had both Standard Industrial Classification (SIC) and North American Industry Classification System (NAICS) codes, while 1997 records had only SIC codes. Thus, changes are measured using the SIC codes, while the 2002 data is defined using NAICS codes. See Appendix 1 for a discussion of the data definitions and industries analyzed in this study.

THE MAINE CREATIVE ECONOMY IN 2002

Table 1 provides a summary of the economic statistics for the Creative Economy in Maine in 2002. In that year the identified sectors employed an annual average of 63,342 individuals, of which 55,889 were in the technology sectors and 7,543 in the arts and culture sectors. Employment in technology was distributed across 3,044 establishments, while arts employment was located in 1,233 establishments. **In total, the creative sectors directly provided about 10 percent of all wage and salary employment in Maine in 2002, with the technology industries accounting for 8.8 percent of employment and the arts and culture industries for 1.2 percent.**

Table 1. Employment and Wages in the Creative Economy: 2002

		Employment	Wages (000s)
Arts	Applied Arts	1,524	\$63,212
	Crafts	640	14,695
	Education	1,075	18,664
	Heritage	425	9,042
	Independent Artists	78	3,363
	Literary Arts	100	3,900
	Media	2,373	80,048
	Performing Arts	923	15,432
	Visual Arts	406	7,217
Technology	Advanced Materials	1,829	58,630
	Agriculture and Forest Products	27,162	1,049,733
	Biotechnology	1,466	74,209
	Information	5,338	240,958
	Marine Technology and Aquaculture	10,281	503,589
	Precision Manufacturing	9,812	421,395

Table 2 shows details on employment and wages in the arts and culture subsectors and their constituent industries. The largest industries in terms of employment include architectural services, libraries, archives and broadcasting (radio, television and cable).

Reporting the size of employment in these industries does not give a sense of their size relative to other sectors of the Maine economy. **At 63,000 employees in 2002, these sectors were only slightly smaller than employment in all manufacturing (68,000), and larger than all local government (60,000). With 7,500 employees, the arts and culture industries are larger than wood products manufacturing in Maine, which employed 6,900 in 2002.** (This does not include pulp and paper and wood harvesting).

The largest single subsector among Maine creative industries is agriculture and forest products, which includes the pulp and paper, lumber, forest harvesting, food and farming industries, along with the service industries directly supporting these activities. Forty-two percent of employment in the creative industries was in forest and agriculture. This is something of an artificial result as the legislature chose to combine these two industries for purposes of the research and development programs.

The Creative Economy in 2002 paid a total of \$2.5 billion in direct wages, \$2.3 billion of which was in technology and \$200 million of which was in the arts and culture industries. This was 13.5 percent of wages paid in 2002. The arts and culture industries' proportion of state wages was 2.2 percent.

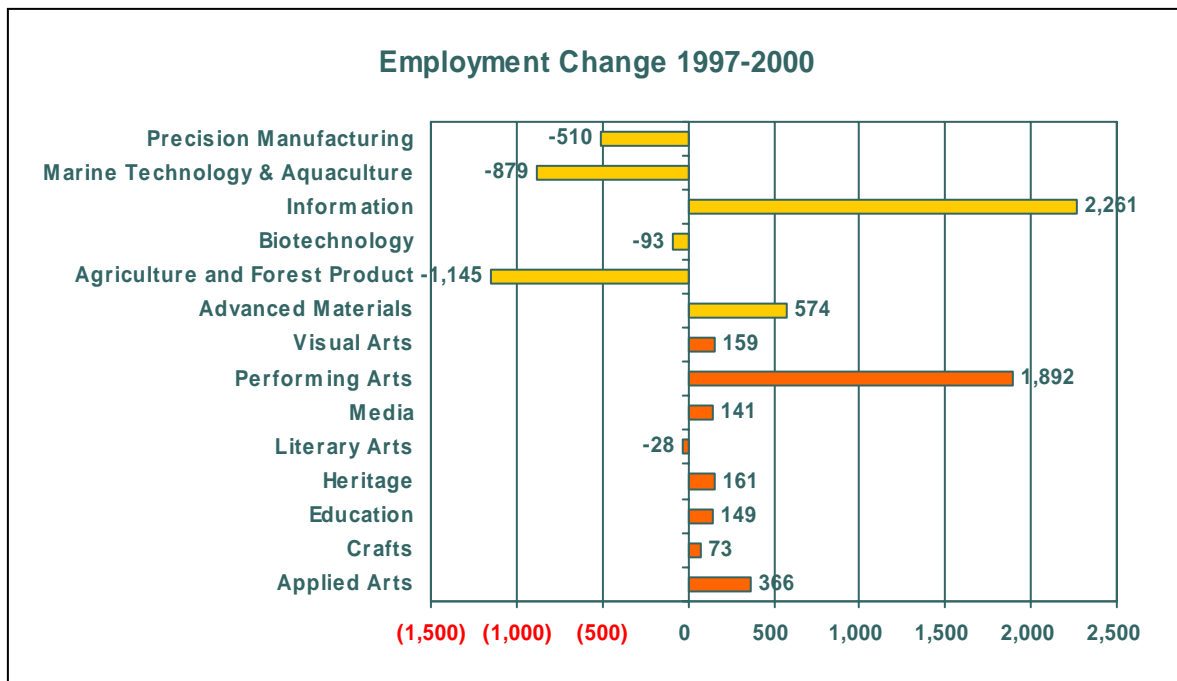
From 1997 to 2002, employment in the Creative Economy grew more slowly than the Maine economy as a whole, but this was because growth in the technology sector was significantly slower. It grew by less than one percent at a time when the Maine economy as a whole grew jobs at an 11 percent rate. The major reason for this very weak growth in the technology sector was that its manufacturing job were especially hard-hit during this five-year period.

In contrast, **between 1997 and 2002 employment in the arts and culture sector as whole grew by nearly 24 percent.** As Figure 1 shows, all of the industries except literary arts grew from 1997-2002, while four of the six technology industries declined. The largest growth was in the information technology sector and second was in performing arts.

Table 2. Arts and Culture Sector Employment and Wages, 2002

(Note: D= Disclosure suppressed by agreement with federal government to protect confidentiality)		Employment	Wages (000s)
Applied Arts	Advertising Agencies	350	\$15,230
	Architectural Services	764	35,415
	Commercial Flexographic Printing	D	D
	Display Advertising	D	D
	Graphic Design Services	125	3,739
	Industrial Design Services	26	841
	Interior Design Services	67	1,357
	Landscape Architectural Services	83	3,080
	Other Specialized Design Services	35	1,353
	Photographic Services	63	1,847
	TOTAL	1,524	63,212
Crafts	Jewelry Manufacturing	48	975
	Jewelry Stores	591	13,721
	TOTAL	640	14,695
Education	Fine Arts Schools	232	3,318
	Libraries and Archives	843	15,346
	TOTAL	1,075	18,664
Heritage	Historical Sites	D	D
	Museums	D	D
	TOTAL	425	9,042
Independent Artists	Independent Artists, Writers, and Performers	78	3,363
Literary Arts	Book publishing	100	3,900
Media	Cable and other program distribution	445	15,824
	Motion Picture and Video Distribution	D	D
	Motion Picture and Video Production	96	3,330
	Music Publishers	D	D
	Periodical Publishing	412	14,503
	Prerecorded Compact Disk, Tape, and Recording	D	D
	Radio stations	561	16,008
	Record Production	D	D
	Sound Recording Studios	D	D
	Television broadcasting	787	27,003
	TOTAL	2373	80,048
Performing Arts	Agents and Managers for Artists	13	513
	Dance Companies	D	D
	Musical Groups and Artists	110	2,574
	Musical Instrument Manufacturing	16	543
	Musical Instrument and Supplies Stores	110	2,532
	Other Performing Arts Companies	D	D
	Promoters of performing arts	313	3,895
	Theater Companies and Dinner Theatres	360	5,315
	TOTAL	923	15,432
Visual Arts	Art Dealers	101	1,928
	Camera and Photographic Supplies Stores	D	D
	Commercial Portrait Photography	231	4,047
	Lead Pencil and Art Good Manufacturing	D	D
	TOTAL	406	7,217

Figure 1. Employment Change in the Creative Sectors, 1997-2002



THE ARTS AND CULTURE SECTOR IN DETAIL

The commercial subsectors of media and the applied arts are the two largest in terms of employment, accounting for 51 percent of the arts and culture sector. Media is the largest sector with 31 percent of employment. Education is the third largest subsector of the arts and culture sector with 14 percent of employment.

The contribution of the arts and culture sector to the economy may be measured by both the direct and indirect effects. The direct effects are the employment and wages as reported above. As firms and employees purchase goods and services in the Maine economy they create multiplier effects, supporting the incomes and employment of numerous other people in the economy. To estimate these multiplier effects, data on direct employment in the arts and culture industries was examined using the econometric models of nine Maine regions developed by Regional Economic Models Inc. and maintained by the University of Southern Maine Center for Business and Economic Research.

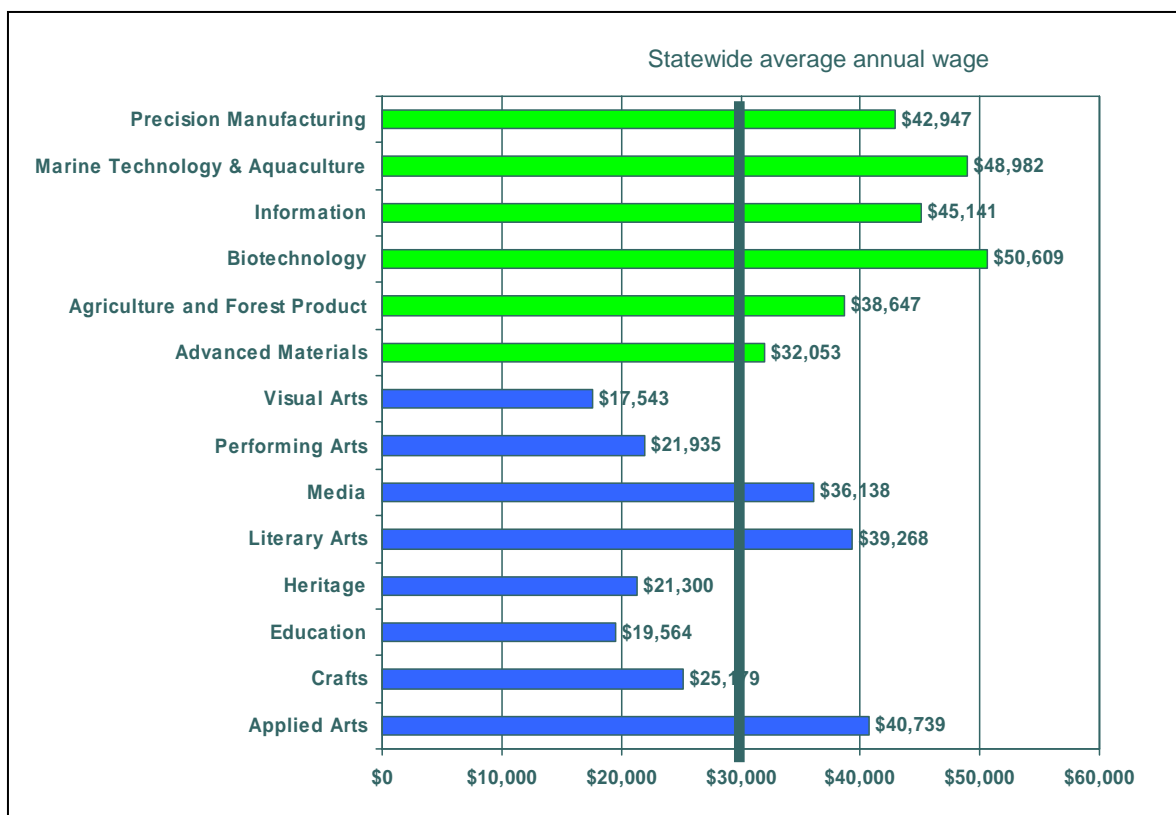
The results are shown in Table 3. **In 2002, the arts and culture sector directly and indirectly supported over 18,000 jobs and more than \$545 million in wages paid.** The estimated employment multiplier is 2.4, and the estimated wage multiplier is 2.6.

Table 3. Multiplier Effects of the Arts and Culture Sector

	Employment	Wages (000's)
Direct	7,543	\$209,519
Indirect	11,053	\$336,071
Total	18,596	\$545,590

Figure 2 shows the annual average wages paid by the two Creative Economy sectors. As might be expected, the technology sector tends to pay the higher annual average wages, with all subsectors paying at or above the statewide average wage in 2002. Among the arts and culture subsectors, only applied arts, media and literary arts (which is very small) pay above-average wages.

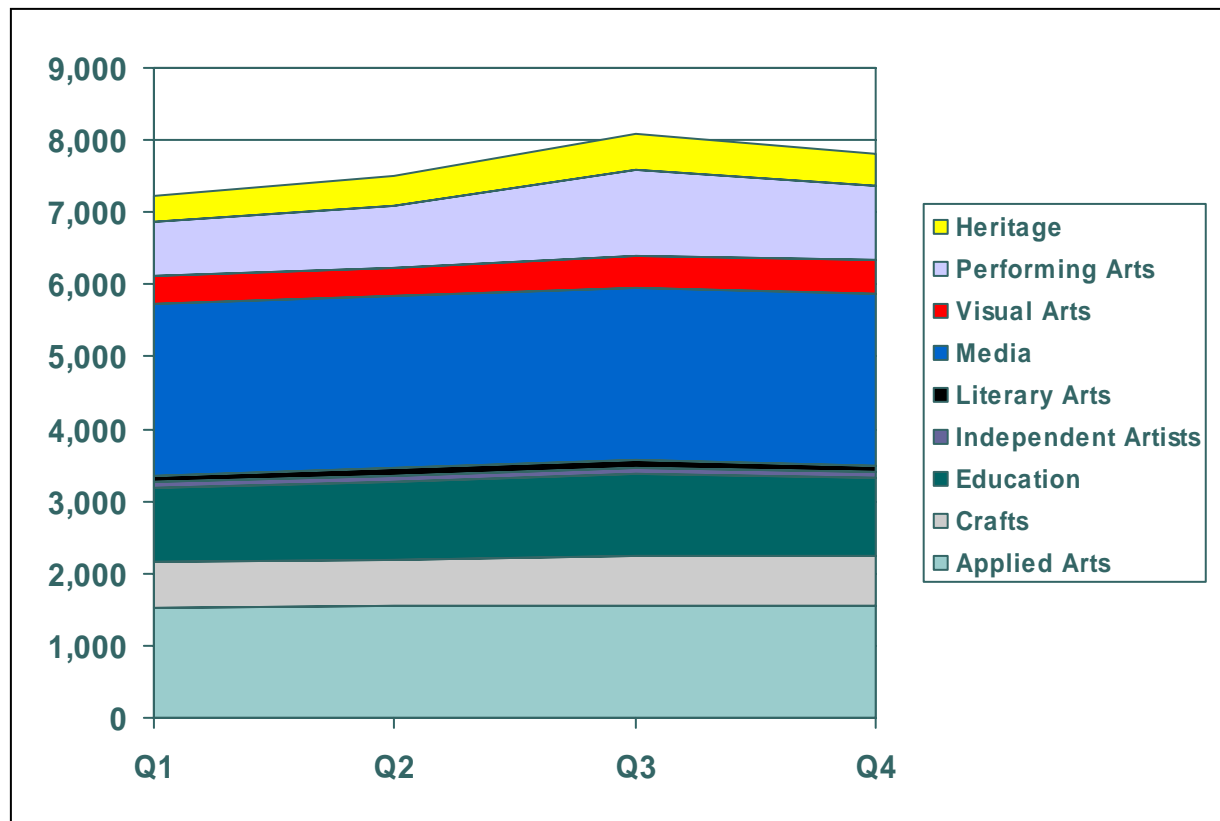
Figure 2. Average Wages in Maine's Creative Economy



It should be noted, however, that annual average wages are somewhat misleading as a measure for many of the arts and culture industries. As discussed below, there is a high level of seasonality in the heritage and performing arts sectors, which means that many people are employed in these subsectors only part of the year. In addition, those employed in the visual and performing arts are often working part-time; the exact extent is unknown since employment data does not differentiate between full- and part-time work. Thus, the annual average wage paid from this data source shows only part of their actual annual income. On the other hand, those in the technology sector are more

likely to be employed full-time, and so the annual average wage shows a larger proportion of the annual income for these industries.

Figure 3. Seasonal Employment in the Arts and Culture Sector



As noted, one characteristic of the arts and culture sector is that portions of it are seasonal, particularly in the performing arts and heritage industries, as shown in Figure 3. Overall, the sector increases by more than 10 percent in the summer, or more than 800 jobs compared with the first quarter. Third-quarter employment in 2002 in the sectors was over 8,000. Employment in the performing arts increases by more than half between the first and third quarter. In 2002 this added more than 400 jobs to the performing arts subsector between the first and third quarters. The heritage industries increase by more than 40 percent in the summer, adding 145 jobs. Seasonality was also high in the visual arts (24 percent growth in the third quarter compared with the first quarter) and in education (an 11 percent increase).

THE ARTS AND CULTURE SECTOR ACROSS MAINE

The arts and culture industries are spread across Maine, as Table 4 shows. Not surprisingly, the counties with the largest numbers are Cumberland County, with nearly 42 percent of arts and culture industries employment, Penobscot County (15 percent) and York County (eight percent). Together, these three counties accounted for 65 percent of arts and culture employment in 2002. Cumberland County accounts for a larger proportion of the wages paid in this sector than it does of employment, which reflects the concentration of the relatively higher-paying applied arts and media sectors there. Appendix 2 shows the employment and wage data for each sector by county in 2002.

Table 4. Arts and Culture Employment in the Counties

	Employment	Wages (000s)	Percent of Employment	Percent of Wages
Androscoggin	515	\$14,149	6.9%	6.8%
Aroostook	209	\$4,449	2.8%	2.1%
Cumberland	3,116	\$99,400	42.0%	47.4%
Franklin	43	\$593	0.6%	0.3%
Hancock	338	\$9,345	4.6%	4.5%
Kennebec	479	\$11,611	6.5%	5.5%
Knox	431	\$11,852	5.8%	5.7%
Lincoln	116	\$2,727	1.6%	1.3%
Oxford	118	\$1,814	1.6%	0.9%
Penobscot	1,102	\$30,420	14.8%	14.5%
Piscataquis	37	\$383	0.5%	0.2%
Sagadahoc	85	\$2,275	1.1%	1.1%
Somerset	103	\$1,933	1.4%	0.9%
Waldo	82	\$2,028	1.1%	1.0%
Washington	27	\$408	0.4%	0.2%
York	624	\$16,131	8.4%	7.7%
TOTAL	7,426	\$209,519		

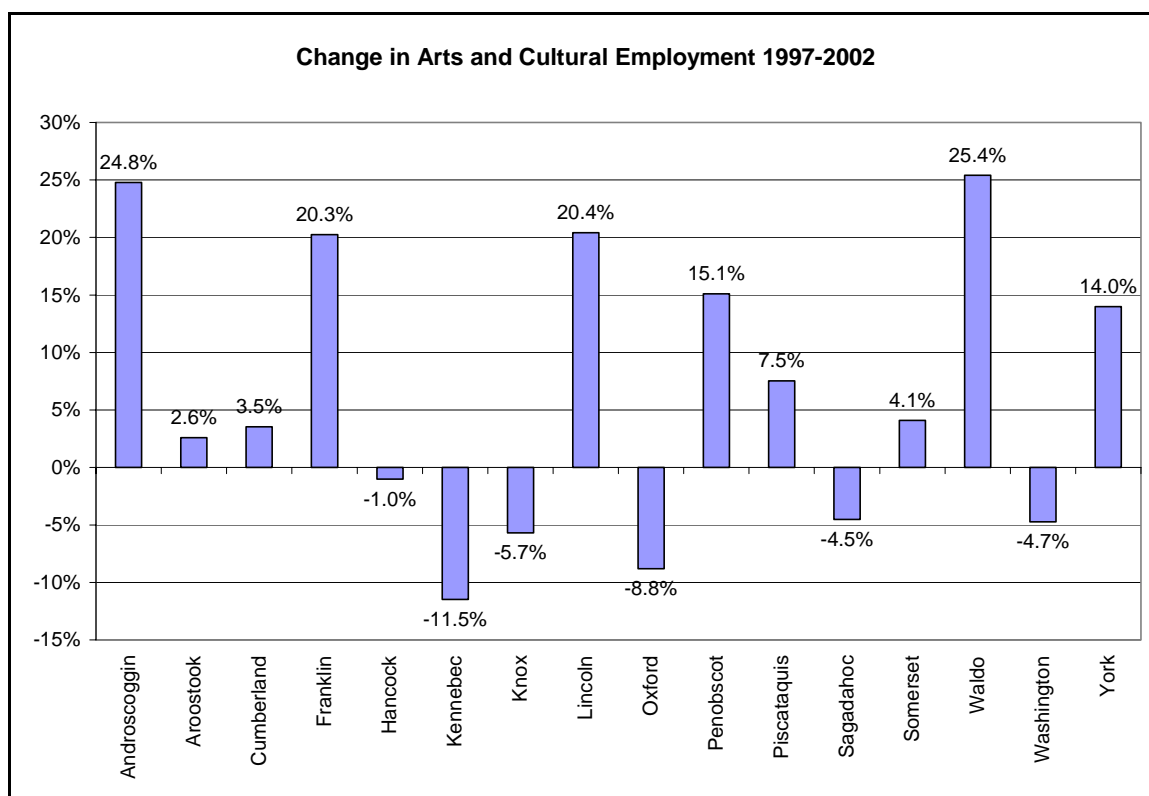
Table 5 shows seasonality in the arts and culture sector employment by county. Aroostook and Franklin counties show slightly smaller employment, but other counties show similar or larger employment in the summer. Interestingly, the more urban counties of Cumberland, Androscoggin and Penobscot showed little change between summer and winter employment in 2002, indicating that the arts and culture industries are more year-round industries in these counties. Other counties show significant increases in the summer, with Somerset County showing the largest summer to winter differential.

There were substantial differences in the growth rates of employment in the arts and culture industries from 1997 to 2002 (Figure 4). The fastest growth occurred in Waldo and Androscoggin counties, with rapid growth (over 20 percent) in Franklin and Lincoln counties. Penobscot and York counties also showed significant growth rates. **While employment outside of the more urban counties remains small, the rapid growth in recent years outside of the urban counties indicates the growing importance of the arts and culture industries throughout the state.**

Table 5. Seasonality in Arts and Culture Employment by County

	Ratio of 3rd Quarter to	
	1st Quarter Employment	3rd Quarter Employment
Androscoggin	1.00	513
Aroostook	0.94	203
Cumberland	1.01	3159
Franklin	0.90	43
Hancock	1.56	426
Kennebec	1.10	501
Knox	1.27	495
Lincoln	1.20	128
Oxford	1.76	130
Penobscot	1.03	1140
Piscataquis	1.64	48
Sagadahoc	1.26	97
Somerset	2.39	154
Waldo	1.54	110
Washington	1.45	30
York	1.40	775

Figure 4. Change in Arts and Culture Employment by County, 1997-2002



While Cumberland County has the largest employment in the arts and culture industries, the county with the largest proportion of its economy in these industries is Knox (Table 6). Cumberland is second in the proportion of its employment in arts, and Penobscot third, followed by Hancock County.

Table 6. Arts Employment as Percent of Total Employment, 2002

Knox	2.47%
Cumberland	1.91%
Penobscot	1.60%
Hancock	1.49%
Androscoggin	1.11%
Lincoln	1.07%
York	0.99%
Kennebec	0.85%
Waldo	0.75%
Aroostook	0.72%
Oxford	0.68%
Piscataquis	0.66%
Somerset	0.57%
Sagadahoc	0.55%
Franklin	0.37%
Washington	0.24%

Table 7 shows the multiplier effects for the arts and culture sector by county-region. The analysis of the multiplier impacts in the Regional Economic Models Inc. model is done by nine regions within Maine as shown. Table 7 shows the direct employment and the estimated indirect and total employment related to the arts and culture sector in each region. In general, multiplier effects are larger in more urban areas than in more rural areas, so Cumberland County has larger effects (2.51) than Aroostook County (1.96). **For the state as a whole, the arts sector represents some 18,500 direct and indirect jobs, some three percent of all Maine jobs.**

Table 7. Multiplier Effects by County Region

County Region	Direct Employment	Indirect Employment	Total Employment
Aroostook	209	202	411
Cumberland	3,116	4,730	7,846
Hancock-Washington	365	583	898
Kennebec-Somerset	583	1,114	1,697
Lincoln-Sagadahoc	200	288	488
Androscoggin-Franklin-Oxford	677	856	1,533
Penobscot-Piscataquis	1,139	1,685	2,824
Knox-Waldo	513	690	1,203
York	624	955	1,579

CONCLUSIONS AND IMPLICATIONS

The Creative Economy is already a large and important part of the Maine economy. The data examined here show that both the arts and culture and technology sides of the Creative Economy are large and growing. The arts and culture industries have been particularly strong in employment growth at a time when major parts of the technology sectors have seen significant employment declines. While concentrated in the urban areas, the arts industries can be found throughout Maine, and it is outside of the urban counties that the arts and culture economy particularly blooms during the summer.

By its nature, the Creative Economy's innovations in products and services are the leading edge of growth in the Maine economy. Both the arts and culture and technology sectors play key roles in this innovative process, although the roles are somewhat different. Innovation in the technology sectors allows Maine to stay competitive in global markets such as forest products, and allows Maine to play a growing role in the faster growing industries such as biotechnology and advanced materials. The arts and culture industries in the Creative Economy play three important roles:

- **As an export industry closely connected to tourism and recreation.** While environmental resources such as the coast, lakes and mountains remain the cornerstones of Maine's tourism industry, the arts and culture elements are an increasingly important part of Maine's attraction. In the 2002 study of the tourism market for Maine, Longwoods Inc.⁹ reports that tourists find historical sites and museums, art museums and galleries, and arts and crafts all part of the attractions of Maine. Visitors mention art museums and galleries and historical sites as important to their visits in Maine more often than a national reference sample. The role of the arts and culture industries in Maine tourism is also evidenced by the seasonal growth in the performing arts and heritage industries.
- **As a key element in Maine's quality of life.** The arts and culture industries provide to Maine residents the same services as to tourists, enhancing the quality of life in Maine. Their growth has been particularly important as more and more arts-related activities that were once available only in larger cities have come to Maine. The Portland Museum of Art and the Farnsworth Museum in Rockland are key examples of this long-term trend. In economic development theory, this is known as import substitution – the ability to produce locally what once had to be purchased outside the state. With more arts and cultural services available in Maine, the state is able to both attract and retain a highly mobile workforce for which quality of life considerations are an important element in location decisions.
- **As a cluster of economy activity in its own right.** With as many employees as the wood products industry, the arts and culture industries must be seen as a sizable sector on its own; its economic role extends beyond the direct and indirect employment and wages it creates, however. Firms in such industries as industrial and graphic design, advertising and the media interact with firms and individuals in such areas as visual arts and music to provide services to firms throughout the Maine economy. Part of the economic benefit of this

⁹ Longwoods Inc. *The 2002 Maine Travel and Tourism Study*, Maine Office of Tourism, Augusta. "Tourists" are defined as those who choose to travel to Maine for recreation and stay at least one night.

growth is the import substitution effect noted above, and part is the growth of a self-sustaining and -reinforcing “cluster” of economic activities.

The cluster nature of the technology industries has already been examined in Maine¹⁰. This analysis, together with that of the arts and culture-related occupations in Maine in the next section of this report, provides only a preliminary look at the measurement of the arts and culture cluster in Maine. More analysis of the inter-relationships among the public, non-profit, and for-profit organizations involved is needed to determine how this cluster may strengthen its role in the economy.

These three important roles point to several general strategies that need to be pursued, to enhance the role of the arts and culture sector in Maine’s Creative Economy. These include:

1. Enhance the role of the arts and culture in tourism. Development efforts for tourism already focus increasingly on incorporating arts and cultural attractions into the package of services marketed to tourists. However, the arts and culture are not seen as the strongest part of the visitor’s experience in Maine, according to the Longwoods study. Enhancing both the quantity and quality of arts and cultural experiences, and making sure the enhancements are effectively marketed, will be an important element in strengthening both the arts *and* tourism; and

2. Strengthen the arts and culture cluster. The precise nature of the inter-relationships among the various industries – what Michael Porter calls the related and supporting organizations such as higher education and public agencies such as the Maine Arts Commission – has not been explored within a cluster framework. The study of cluster relationships in the technology sector showed the value of enhancing inter-relationships. The legislature established a cluster enhancement program of grants in the Maine Technology Institute that may be used for a wide variety of purposes to strengthen the cluster, as opposed to specific firms or industries. While the technology cluster enhancement program is still relatively new, it may serve as a model for a similar program for the arts and culture industries.

¹⁰ See Colgan, Charles S. et al., Assessing Maine’s Technology Clusters. Maine Science and Technology Foundation, Augusta, 2000.

2. THE CREATIVE WORKFORCE IN MAINE

New England has a well-deserved reputation as a region rich in cultural heritage. The reputation has been earned in a variety of ways. The six states in the region were among the first to join the Union. Many important Revolutionary War battles were fought here; some have become historic sites. All stages of the Industrial Revolution were experienced in the region. Eight of our 43 presidents were born in a New England state. From the earliest days of the nation, many prominent writers, artists, musicians and other creative workers have made New England their home.

Perhaps coincidentally, but more likely as a consequence of its heritage, New England today has more than its share of museums, historical societies, historic sites, venerable performing arts organizations and academic institutions, while maintaining cutting-edge performance in technology, medicine, higher education and contemporary arts. In addition, New England is home to a large number of artists and related creative workers, ranging from the internationally acclaimed to locally prominent members of the creative workforce.

New England is a relatively small region in the United States, occupying just 2.0 percent of its land mass and home to 4.9 percent of its residents.¹¹ It is a relatively wealthy region, however, accounting for 5.9 percent of the total national personal income generated in 2003.¹² The rankings of the six New England states in terms of per capita personal income range from first (Connecticut) to thirty-fourth (Maine). Connecticut, Massachusetts and New Hampshire all place in the top five.

Maine is a geographic anomaly in New England, embracing roughly one-half the region's geographic area, but hosting only 1.3 million persons or about nine percent of the region's population.¹³ However, Maine's population ranks it third behind Connecticut and Massachusetts. It is by far the most rural state, with a population density of 37 persons per square mile. As noted, Maine has the lowest per capita personal income among the six New England states, which was \$28,831 in 2003.¹⁴

One might expect that its industry mix would reflect its rural character. To some degree it does, with tourism creating more employment than any other industry cluster, and paper products and farming still being major industries; the latter two, however, tend not to be growth industries in this country. In the most recent (2000) inventory of New England's cultural organizations, Maine's 1,284 non-profit cultural organizations were found to have had over four million admissions, and employed over 4,000 persons. Collectively, these organizations spent about \$146 million. Its libraries, museums, performing and visual arts organizations each collectively accounted for over \$10 million in spending.¹⁵

Before turning to a discussion of Maine's creative workers, we offer a brief detour to address two questions important to understanding the rest of this section: where the numbers presented here come from, and how the term "creative worker" is defined.

¹¹Population data are 2003 estimates provided by the U.S. census Bureau.

¹²Personal income data are provided by the Bureau of Economic Analysis in the U.S. Department of Commerce.

¹³Census Bureau estimate for July 1, 2003.

¹⁴U. S. Department of Commerce, Bureau of Economic Analysis estimate.

¹⁵Gregory H. Wassall and Douglas DeNatale, *New England's Creative Economy: The Non-Profit Sector, 2000*. Boston: New England Foundation for the Arts, 2003.

DEFINING THE CREATIVE WORKFORCE

The decennial United States Census provides demographers, survey researchers and social scientists with a unique opportunity to examine in depth the social and economic characteristics of citizens of the United States. While the Census Bureau publishes a wide array of products using the information in the census questionnaires, perhaps the one awaited with the most anticipation by the research community is the Public Use Microdata Sample (PUMS data). This is a computer file containing anonymous, coded responses to the census long-form. The long-form is sent to one in every six households in the nation. The responses are selected and weighted to produce a representative five percent sample of the national population. Since the United States population at the time of the 2000 census was estimated to be 281.4 million people, information on roughly 14.1 million Americans is contained in the five percent sample.¹⁶

In the literature relating to artists and creative persons in the labor force, there has been considerable debate over the question of what occupations may be termed “artistic” or “creative.” This question also comes up in the literature discussing the relationships among the arts and culture, creative workers and economic development. In these debates, one finds significant differences of opinion with respect to who are artists, who are creative workers and the extent to which these occupations overlap. We do not settle the issue in this report but, rather, provide sets of information that may be tailored to one’s preferences in this respect.

The census long-form asks questions about the respondent’s housing unit and the personal characteristics of household members. The characteristics include household relationship, age, gender, race, marital status, place of birth and citizenship, ancestry, ability to speak English, internal migration, veteran status, disability, labor force status, occupation, industry and class of worker, journey to work, earnings and income.

Much of this information is of interest to social scientists, because it enables them to develop socioeconomic profiles of segments of the nation’s population. These profiles may be drawn along virtually any dimension, since the information is available for every person represented in the sample. For example, one may trace out how earnings from work change with educational status. With the extraordinarily large size of the data base, it is also possible to develop statistically valid profiles of relatively small cohorts within our society – as, for example, of Asian immigrants with college degrees, or of artists residing in Maine.

To classify members of the labor force into occupations, the census uses its own occupational codes, which are equivalent to those in the Standard Occupational Classification (SOC) system developed by the Bureau of Labor Statistics.¹⁷ How these classifications are used in this report to identify Maine’s creative workers is described below. Since the data found in the PUMS comes from a mid-2000 survey, the numbers reported herein generally refer to characteristics or attributes for the years 2000 (age, level of education, e.g.) or 1999 (annual income and earnings, total weeks worked, e.g.). Other statistics refer to characteristics independent of the time period, such as race and gender.

¹⁶The census Bureau also releases a one percent sample using the same methodology. The one percent sample is drawn independently of the five percent sample.

¹⁷To quote from the BLS web site, the SOC system is “used by all Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.”

Specifically, in this report on Maine’s creative workers, we use three definitions. The most narrow, called the “NEA Artist,” encompasses the 11 occupations that the National Endowment for the Arts (NEA) has defined as artistic.¹⁸ This definition focuses solely on occupations that meet traditional standards of artistic lines of work. These occupations, shown in Table 1A, encompass the artistic fields of performance, literature and visual arts, plus the creative occupations of architecture and design. In addition, a catch-all category, “Entertainers, Performers and Related Workers,” includes artists not accounted for in the other 10 categories, but also includes some occupations that few would call artistic. All of the 11 occupations except architects are listed by the census under the categorical grouping entitled “Arts, design, entertainment, sports, and media occupations.” Architects are found under “Architecture and engineering occupations.”

A closely related but broader definition, that of the creative workforce, was developed by Mount Auburn Associates in their 2000 report to the New England Council, *New England’s Creative Economy*.¹⁹ To quote from the report, persons in these occupations are “defined as the thinkers and doers trained in specific cultural and artistic skills who drive the success of leading industries that include, but are not limited to, arts and culture...”(p. 4). Later, in a discussion of the relationship between creative workers and creative industries, the report further describes these people as “the artists, performers and other professionals who may or may not be directly employed by cultural organizations, yet are involved in creative work within a particular industry”(p. 9). This workforce definition adds three more occupations to the 11 in the NEA Artist classification.²⁰ The additional occupations, shown in Table 1B, are Archivists, Curators, and Museum Technicians; Cabinet Makers and Bench Carpenters; and Painting Workers.²¹

¹⁸Because of changes in the occupational codes made recently, the 11 occupations in Table 1A do not exactly match the 11 NEA artist occupations found in the 1990 census, nor in recent reports on New England’s Creative Workers using Current Population Survey data from the 1990s. The principal changes are the elimination of the category “College and University Teachers of Art, Music and Drama” and the creation of a new category called “Producers and Directors.”

¹⁹Mount Auburn Associates, *The Creative Economy Initiative: The Role of the Arts and Culture in New England’s Economic Competitiveness*. Boston: The New England Council, 2000.

²⁰In the Mount Auburn report, there was a fourth occupation category added to the 11 NEA Artist occupations, that of elementary and secondary teacher of art, music and drama. Although certainly a defensible category, it is neither a census nor an SOC occupation. The closest census occupation categories are elementary and middle school teachers and secondary school teachers. In these categories, no distinction is made among those teaching different subject matter. Many teachers in these categories are in fact generalists. Because no reliable regional data and no national data on arts, music and drama teachers are available, the category is not included in this analysis.

²¹ Archivists and Curators are also located in the Arts, design and entertainment group. The other two are found in a category called “Production, transportation and material moving occupations.” The occupational category Painting Workers had been termed Hand-Painters, Coaters and Decorators in the Mount Auburn report.

Table 1A. NEA Artist Occupations

Census 2000 Code	Occupation
130	Architects
260	Artists and related workers
263	Designers
270	Actors
271	Producers and directors
274	Dancers and choreographers
275	Musicians, singers and related workers
276	Entertainers, performers and related workers
280	Announcers
285	Writers and authors
291	Photographers

Table 1B. Additional Occupations in the Creative Workforce

Census 2000 Code	Occupation
240	Archivists, curators and museum technicians
850	Cabinet makers and bench carpenters
881	Painting workers

Table 1C. Additional Occupations in the Enhanced Workforce

Census 2000 Code	Occupation
243	Librarians
244	Library technicians
281	News analysts, reporters and correspondents
282	Public relations specialists
283	Editors
284	Technical writers
286	Miscellaneous media and communication workers
290	Broadcast and sound engineering technicians /operators
292	TV, video, and motion picture camera operators and editors
296	Media and communication equipment workers
441	Motion picture projectionists
442	Ushers, lobby attendants and ticket takers
531	Library assistants, clerical
743	Precision instrument and equipment repairers
806	Model makers and patternmakers, metal and plastic
850	Cabinet makers and bench carpenters
851	Furniture finishers
852	Wood patternmakers and model makers
875	Jewelers and precious stone and metal workers
891	Etchers and engravers

Using the creative workforce definition, the Mount Auburn report showed that New England in 1996 had a larger share of these workers in its labor force than the rest of the nation. In his 2003 follow-up report, Wassall showed that New England retained its comparative advantage in creative

workers through 2002, but that the creative workforce has recently been growing more rapidly outside of New England.²²

Discussions with cultural policymakers throughout the region persuade us that a broader concept of what constitutes a creative worker is also worth examining with the census data now available. This is the genesis of the third definition. This definition, called the “Enhanced Creative Workforce,” contains the 14 occupations found in the creative workforce but adds an additional 20 occupations, shown in Table 1C. The unifying theme of this broader definition is that the work that people in these occupations do is creative or artistic, or that their work is directly involved in the production or dissemination of artistic output. This broader definition adds to the mix virtually all the remaining occupations in the Census’ Arts, design, entertainment, sports and media group; two in personal care; one in office and administrative support; and several in various production categories.

Before proceeding to an in-depth view of these workforce groups and their characteristics, a few qualifying comments are in order. First, we here examine persons in occupations defined as creative, wherever they happen to work. Although researchers in this area have often defined industry-based groups of workers, such as the “Creative Cluster” found in the Mount Auburn report, the present report tracks workers in creative occupations *regardless* of where they work. Many creative workers work in industries that would not be construed as belonging to a creative cluster; examples include designers in aircraft manufacturing, or a composer working in a university. Persons such as these *are* covered in this report. Conversely, many persons work in creative industries, such as museums or film production, but are not defined as creative workers. Examples are maintenance workers, clerical workers and administrative workers. These persons are *not* tracked in this report. Thus, there is a partial, but by no means complete, overlap between persons in creative occupations and persons working in creative industry clusters.

Second, it is no doubt necessary to compare these definitions of creative workers to the concept of the “Creative Class” developed by Richard Florida.²³ In a nutshell, Florida’s concept is far, far broader. The Creative Class encompasses almost all occupations in the Enhanced Creative Workforce, but adds to these every other occupation in the Census’ Management, professional and related occupation category. The Creative Class constitutes fully 30 percent of the nation’s labor force and encompasses 175 occupations. By comparison, our broadest definition of creative workers - the Enhanced Creative Workforce - accounts for less than three percent of the labor force and encompasses just 34 occupations. One way of considering the sheer breadth of Florida’s definition is that it includes virtually all occupations for which a college degree is today a prerequisite.

In the remainder of this section we profile creative workers using all three definitions detailed here. In order to keep things consistent, the term “creative worker” is used to describe members of one or more of the three creative workforce categories. When referring to a specific workforce category, that specific term is used.

²²Gregory H. Wassall, *New England’s Creative Economy: An Update*. Boston: New England Foundation for the Arts, 2003.

²³Richard Florida, *The Rise of the Creative Class*. New York: Basic Books, 2002.

Table 2. New England's Creative Workforce, 2002, by Category, State, Numbers, and Percent of Workforce

Workforce Category		CT	ME	MA	NH	RI	VT	New England
NEA Artists	Number	28,345	8,744	55,674	8,204	8,039	4,753	113,759
	% of LF	1.68	1.37	1.74	1.24	1.58	1.47	1.62
Creative	Number	31,476	10,753	60,638	9,778	9,191	5,495	127,331
	% of LF	1.86	1.68	1.90	1.48	1.80	1.70	1.81
Enhanced Creative	Number	48,838	17,411	97,693	16,483	16,533	9,307	206,265
	% of LF	2.89	2.72	3.05	2.49	3.24	2.88	2.94
TOTAL Workforce	Number	1,690,237	640,342	3,199,701	661,942	510,233	323,013	7,025,468

One may see the relationship between creative workers in Maine and the rest of New England, using all three definitions, in Table 2. Depending on the definition, creative workers constituted from 1.37 to 2.72 percent of Maine's labor force in 2000. The entire region shows an even greater concentration of creative workers. Using any of the three definitions, Maine's concentration of creative workers ranks it fifth, above New Hampshire. Throughout New England, Massachusetts has the highest concentration of NEA Artists and creative workforce members in its labor force, but Rhode Island has the highest concentration of Enhanced Creative Workforce members.

SOCIOECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

Here, information on a variety of non-financial characteristics of Maine's creative workers is presented and discussed, and Maine's creative workers are compared to creative workers throughout New England and to Maine's overall workforce.

Table 3 shows that **Maine's creative workers are older than the labor force as a whole, with an average age of almost 44 years compared to 40.6 for the entire workforce.** A similar but narrower gap between creative and all workers exists throughout New England.

There are several plausible explanations as to why this age-gap exists. Since the state's creative workers have more formal education than the labor force as a whole (see below), they remain in school longer. Consequently, there are fewer of them in the labor force in their early 20s. This can

also be seen in Table 3, by comparing the percentage of creative workers under 50 to all workers under 25 in the labor force. A second reason why there are relatively fewer creative workers under 25 in the labor force lies in the nature of creative occupations. Often it takes time to establish a reputation and a living in these occupations. It is not uncommon to find creative workers temporarily working in other jobs while trying to establish a career.

Table 3. Creative Workforce by Category and Age

Workforce Category	Age Category	Maine	New England
NEA Artist	Age	43.7	41.7
	% Under 25	7.7	9.5
	% Over 50	27.2	24.6
Creative	Age	43.9	41.7
	% Under 25	7.8	9.5
	% Over 50	26.9	22.8
Enhanced Creative	Age	43.6	41.6
	% Under 25	10.1	11.2
	% Over 50	30.1	25.8
TOTAL Workforce	Age	40.6	40.2
	% Under 25	13.7	13.7
	% Over 50	23.1	22.9

Creative workers remain longer in the workforce, working to older ages than the average labor force member. Again, there are several reasons behind this. Creative occupations are generally less physically taxing than others requiring more physical effort. Also, persons in these fields may often excel at their work into more advanced ages.

Table 4 reports on the gender composition of the creative labor force. In Maine, women represented 47.9 percent of the entire labor force in 2000. There is a higher percentage of women among Maine's NEA Artists, and in its Enhanced Creative Workforce. **The percentage of women in the creative workforce is essentially the same as in the entire workforce.** A similar pattern exists throughout New England.

Table 4. Creative Workforce by Category, Gender, and Marital Status

Workforce Category	Gender	Maine	New England
NEA Artist	% Women	52.8	59.8
	% Married	48.7	57.8
Creative	% Women	47.7	46.4
	% Married	59.2	57.4
Enhanced Creative	% Women	54.0	51.2
	% Married	58.4	55.9
TOTAL Workforce	% Women	47.9	47.8
	% Married	60.8	57.5

As its residents realize, the percentage of ethnic minorities living and working in Maine is very low. The ethnic composition of Maine's creative workers is reported in Table 5, along with the ethnic composition of the entire labor force. Similar data for New England is used for comparative purposes. **Maine's entire labor force is over 98 percent white, with no ethnic minority composing more than one percent of the workforce. A similar pattern exists among the state's creative workers, regardless of definition.** There is a slightly lower minority percentage in its creative workforce and a higher minority percentage among the NEA Artists. Although not shown in this table, a similar but greater differential is found throughout New England. Maine's Enhanced Creative Workforce is 98.3 percent white, while its entire workforce is 98.2 percent white. New England's Enhanced Creative workforce is 93.6 percent white, while its entire workforce is 90.2 percent white.

In Table 6, information about citizenship, veteran and disability status of Maine's creative workers is presented. Comparisons are made to the entire labor force, and to all creative workers in New England. Maine has a lower percentage of non-citizens than New England as a whole. Non-citizens make up 5.6 percent of New England's labor force, but just 1.5 percent of Maine's labor force. In Maine, non-citizens constitute less than one percent of the NEA Artist and creative workforces. However, there is a higher percentage of non-citizens in the Enhanced Creative Workforce than in the entire labor force. In New England there are fewer non-citizens among creative workers relative to the entire labor force, regardless of definition.

Table 5. Creative Workforce by Category and Ethnicity

Workforce Category	Ethnicity	Maine	New England
NEA Artists	% Hispanic	1.5	2.5
	% White	97.5	94.9
	% Black	0.8	2.0
	% Native Amer.	1.0	0.5
	% Asian	0.3	2.2
Creative	% Hispanic	1.2	2.9
	% White	98.0	94.6
	% Black	0.7	2.2
	% Native Amer.	0.9	0.5
	% Asian	0.2	2.2
Enhanced Creative	% Hispanic	0.9	3.4
	% White	98.3	93.6
	% Black	0.6	2.9
	% Native Amer.	0.6	0.6
	% Asian	0.5	2.3
TOTAL Workforce	% Hispanic	0.7	4.6
	% White	98.2	90.2
	% Black	0.6	4.7
	% Native Amer.	0.9	0.7
	% Asian	0.8	2.8

In all workforce categories, Maine has a higher percentage of veterans than New England. There is, however, a higher percentage of veterans in Maine's total workforce than in any of the creative worker categories. The same pattern occurs throughout New England, with its general labor force having a higher percentage of veterans.

Table 6. Creative Workforce by Category, Citizenship, Veteran and Disability Status

Workforce Category	Category	Maine	New England
NEA Artist	%Non-Citizen	0.59	4.22
	%Veteran	9.11	8.06
	%Disability	7.34	7.78
Creative	%Non-Citizen	0.85	4.34
	%Veteran	11.80	8.65
	%Disability	7.54	7.98
Enhanced Creative	%Non-Citizen	1.65	4.34
	%Veteran	9.75	8.23
	%Disability	7.60	7.86
TOTAL Workforce	%Non-Citizen	1.48	5.57
	%Veteran	13.06	10.32
	%Disability	9.25	10.12

Table 6 also presents disability status. The term as used here refers to a disability that affects employment. Having an employment-affecting disability is more common in the general workforce than in the creative workforce, both in Maine and in New England. Although creative workers had lower disability rates in general, NEA Artists had the lowest rates in both Maine and New England.

EDUCATIONAL ATTAINMENT

The census PUMS data includes information on the highest level of educational attainment of each adult person in the sample. From this information, one can develop an educational profile of the labor force. This profile is provided in Table 7. Here it can be seen that **Maine's creative workers have completed more formal education than members of the general workforce.** For example, about 25 percent of the Maine's general workforce has completed a bachelor's degree or higher; but among creative workers, the percentage having completed a bachelor's degree or higher ranges from 43.6 to 47.7, depending on the choice of creative worker definition. A similar difference is found at the lower end of the educational spectrum. Almost 11 percent of Maine's labor force did not receive a high school diploma; among creative workers, that percentage ranges from 2.7 to 5.1 percent.

Table 7. Creative Workforce by Category and Educational Attainment

Workforce Category		% < HS	% HS grad	% College	% BA/BS	%> BA/BS
NEA Artist	Maine	2.7	15.1	34.6	32.3	15.4
	New Eng	3.1	11.2	26.8	41.4	17.4
Creative	Maine	5.1	18.9	32.4	29.2	14.4
	New Eng	4.7	14.0	26.3	38.3	16.7
Enhanced Creative	Maine	4.6	18.7	31.9	30.2	14.6
	New Eng	5.1	13.4	26.1	36.2	19.2
TOTAL Workforce	Maine	10.8	34.3	29.9	16.4	8.5
	New Eng	11.2	26.4	28.8	20.5	13.2

There is a similar pattern of differential educational attainment between creative workers and the overall labor force throughout all New England. However, both New England's creative workers and its entire labor force possess more formal education, on average, than their counterparts in Maine. For example, almost 35 percent of New England's labor force has completed a bachelor's degree or higher, compared to 25 percent of Maine's labor force. Also, between 55.0 and 58.8 percent of New England's creative workers have completed a bachelor's degree or higher, depending on one's choice of definition. As seen above, in Maine the same occupation groups have rates of attaining a bachelor's degree or higher which are more than 10 percentage points lower. These differences are substantial, especially considering that Maine's workers are included with the other five states to compute the New England averages.

Among the creative worker definitions, NEA artists have the highest educational attainment, while members of the creative workforce have the least. Essentially the same ranking prevails among the creative worker categories for the New England region.

EMPLOYMENT, EARNINGS AND INCOME

The census data allows the computation of the total number of weeks worked in the previous year (1999), and an unemployment rate at the time of the survey. Both are presented in Table 8. There are no major differences among the occupational groups in terms of weeks worked. **In Maine, NEA Artists and the creative workforce worked slightly over a week more per year than the general workforce.** In New England, all groups reported virtually the same number of weeks worked.

Table 8. Creative Workforce by Category, Weeks Worked (1999) and Unemployment

Workforce Category	Employment Category	Maine	New England
NEA Artist	Weeks Worked	47.8	46.3
	% Unemployed	1.4	2.9
Creative	Weeks Worked	47.9	46.5
	% Unemployed	1.6	2.9
Enhanced Creative	Weeks Worked	46.2	46.1
	% Unemployed	2.0	2.7
TOTAL Workforce	Weeks Worked	46.4	46.7
	% Unemployed	3.8	3.7

Generally, managerial and professional workers report lower rates of unemployment in any economy, good or bad. At the time of the Census, the economy was strong but just beginning to show signs of a downturn; as a result all the reported unemployment rates are low compared to the present. However, **creative workers in Maine and throughout New England reported significantly lower unemployment rates than the general workforce. Creative workers in Maine reported unemployment rates less than half of that for the entire labor force. Maine's creative workers reported the lowest unemployment rates among the New England states.**

Table 9 shows the distribution of Maine's creative workers among different types of employers. **Creative workers are significantly less likely to work for a for-profit employer, and are significantly more likely to be self-employed than members of the overall labor force.** The percentages of creative workers who are employed by non-profits and government tend to be roughly the same as they are in the entire labor force. Among the creative worker definitions, the greatest differences lie in the smaller number of self-employed and greater number of government employees among members of the Enhanced Creative Workforce.

The same general patterns appear in New England as a whole. However, in New England creative workers are more likely to work for a for-profit firm and less likely to be self-employed. This makes the employment profiles of New England's creative workers its general labor force more similar.

Table 9. Creative Workforce by Category and Employment Type

Workforce Category	Employment Type	Maine	New England
NEA Artist	% For-Profit	44.3	53.8
	% Non-Profit	9.6	8.6
	% Government	1.1	2.4
	% Self-Employed	44.4	34.9
	% Unpaid	0.6	0.2
Creative	% For-Profit	47.0	54.9
	% Non-Profit	10.6	9.3
	% Government	2.0	2.7
	% Self-Employed	40.0	32.9
	% Unpaid	0.5	0.2
Enhanced Creative	% For-Profit	44.8	53.8
	% Non-Profit	11.7	11.6
	% Government	15.4	10.5
	% Self-Employed	27.6	24.0
	% Unpaid	0.5	0.2
TOTAL Workforce	% For-Profit	63.1	67.2
	% Non-Profit	10.2	9.6
	% Government	13.9	13.3
	% Self-Employed	12.5	9.7
	% Unpaid	0.2	0.2

Tables 10 and 11 provide information about the earnings and incomes of Maine’s creative workers. Table 10 focuses on earnings. In the Census, earnings are calculated as the sum of salary income and self-employment income. We report these separately, because self-employment is relatively common, and thus important, among creative workers. Among the creative worker categories, members of the creative workforce have the highest earnings, followed by NEA Artists and members of the Enhanced Creative Workforce. However, **Maine’s creative workers on average earn less than their counterparts in the state’s general workforce.** This earnings gap ranges from about \$3,000 (Creative Workforce) to about \$4,500 (Enhanced Creative Workforce). **The earnings gap occurs despite the fact that, as noted, the state’s creative workers possess considerably more formal education.**

Table 10. Creative Workforce by Category and Earnings (1999)

Workforce Category	Income Category	Maine	New England
NEA Artists	Wage and Salary	\$19,589.65	\$30,521.09
	Self-Employment	5,815.83	9,069.51
	Total	25,405.48	39,590.60
Creative	Wage and Salary	20,053.62	29,895.36
	Self-Employment	5,451.81	8,469.87
	Total	25,505.44	38,365.23
Enhanced Creative	Wage and Salary	20,218.44	30,040.38
	Self-Employment	3,731.04	6,094.27
	Total	23,949.48	36,134.65
TOTAL Workforce	Wage and Salary	25,681.25	35,715.69
	Self-Employment	2,878.70	2,949.14
	Total	28,559.95	38,664.83

Throughout New England creative workers tend to earn less than members of the general labor force, but the difference is narrower. The widest gap – between the region’s general workforce and its Enhanced Creative Workforce – is almost \$2500. The earnings gap for the creative workforce is some \$300; NEA Artists, on the other hand, earn almost \$1,000 more than those in the general labor force. Bear in mind that these comparisons are being made between groups of workers with differing amounts of education. In general, studies have shown that artists and related creative workers consistently earn less when compared to persons with comparable education, such as other occupations in the professional category.

Using the information in Table 10, the earnings of Maine’s creative workers can also be compared to earnings of creative workers throughout all New England. It is seen that the average earnings of creative workers in New England are much higher (by amounts ranging from over \$12,000 to over \$14,000) than those of creative workers in Maine. Why is there such a large difference? One can only speculate. The mix of creative workers in the rest of New England may be tilted more toward higher-earning occupations. Also, those in lower New England often have access to more lucrative markets, or to jobs not available elsewhere.

For example, a conductor or first violin will earn substantially more working for the Boston Symphony than for the Portland Symphony. Visual artists located closer to Boston or New York may have superior access to more heavily patronized galleries and broader markets. Designers working in larger metropolitan areas are likely to have a wider menu of employers to choose among. In addition to differences in job markets, there are important differences in the amount of education possessed by the two groups of creative workers. We saw earlier that creative workers in other parts of the region possess more formal education, an important predictor of earnings.

Note that there is also an earnings disparity between all labor force members in Maine and New England. This disparity is smaller, at just over \$10,000. It is likely that the same set of basic factors explains both sets of differences. One can look at education levels, job and industry mix, and distance to major markets and employment centers as reasons underlying such disparities.

Table 11. Creative Workforce by Category, Earnings and Income (1999)

Workforce Category	Income Category	Maine	New England
NEA Artist	Total Earnings	\$25,405.48	\$39,590.60
	Total Income	30,190.44	44,908.38
	Total Household Income	62,439.73	92,084.93
Creative	Total Earnings	25,505.44	38,365.23
	Total Income	29,855.22	43,383.06
	Total Household Income	60,036.30	88,866.14
Enhanced Creative	Total Earnings	23,949.48	36,134.65
	Total Income	28,056.47	40,698.23
	Total Household Income	56,968.17	84,734.46
TOTAL Workforce	Total Earnings	28,559.95	38,664.83
	Total Income	30,900.34	41,669.37
	Total Household Income	59,447.51	81,227.01

Finally, Table 11 shows that **creative workers marry and choose partners well**. A great deal of the earnings deficit suffered by creative workers, in comparison to the entire labor force, is made up by income from other household members, primarily spouses. The earnings deficit for creative workers in Maine turns into a household income surplus for NEA Artists and creative workforce members. For members of the Enhanced Creative Workforce, there still exists a gap, but it has fallen to about \$2,500 when comparing incomes of the two groups (recall that the earnings gap was about \$4,500).

In New England, earnings gaps are transformed into household income surpluses for all three creative worker categories. The surpluses range from about \$3,500 for the Enhanced Creative Workforce up to almost \$11,000 for NEA Artists. To explain this phenomenon, one could argue that creative workers make unusually attractive and desirable spouses and partners. More to the point, most likely, is that well-educated persons tend to marry well-educated persons with substantial earnings potential.

Note, however, that the earnings differences between Maine's and New England's creative workers, which fall between \$12,000 and \$14,000, balloon to household income differences of between \$28,000 and \$29,000, depending on one's definition of creative worker. A significant difference also exists between household incomes in Maine and New England for the entire workforce; however, this difference is just under \$22,000.

Obviously some, but not all, of these differences are offset by differences in cost of living. Since all household members tend to be equally affected by local labor market conditions, one can look at the same set of reasons advanced above to explain these income disparities.

CONCLUSIONS AND IMPLICATIONS

Maine's endowment of creative workers, regardless of definition, puts it at the low end among the New England states, in terms of their percentage in the state's labor force. Recall, however, that this is a region which has above average endowments of creative workers relative to the nation as a whole; by national standards, Maine remains well-endowed.

While Maine's creative workers have many characteristics similar to those in all New England, some differences stand out. In particular, Maine's creative workers have less formal education and, partly as a consequence, lower earnings. Other factors that likely contribute to the earnings disparity include less access to larger labor markets, such as Boston and New York, and to high-paying jobs in particular occupations. Offsetting these factors are a lower cost of living and, arguably, a more attractive rural environment that appeals to many of the state's residents. That the status of many creative jobs relies in part on tourism is a mixed blessing, as the nation's population center of gravity continues to move away from Maine and energy prices rise.

Of the challenges facing Maine's creative workers, the one most amenable to public policy is education. Narrowing the regional education gap, both among creative workers and the entire labor force, will benefit the state greatly. Higher-paying jobs, in turn, will make the state's labor markets more attractive to non-residents. Increasing educational standards and offerings is not a simple task that can be done in a short amount of time but given Maine's location within a region renowned for its educational institutions and its highly-educated workforce, it is a task worth pursuing.

This recommends a third strategy, better to prepare the Maine workforce for the opportunities and demands of the Creative Economy:

3. Prepare the workforce. *All* of the Creative Economy depends upon a highly educated workforce. Maine has substantial scientific and technical training related to the technology sector from high school through university, including the community colleges. There are similar opportunities in many of the skills needed by the arts and culture industries, many of which are of very high quality. However, there are few educational opportunities in Maine in areas such as industrial design and there remain issues about the adequacy of arts education in many K-12 school systems. A thorough review of the workforce development programs and capacity for the arts and culture industries in Maine would provide a road map to making sure that this most critical element in the Creative Economy – the workforce – is continuously expanded and renewed.

3. THE CREATIVE ECONOMY IN SMALL PLACES: EIGHT CASES AND A DEVELOPMENTAL MODEL

The evidence reported by our economist colleagues points to the art, culture and technology as important creative sectors of the Maine economy. Numbers are insufficient, however, to illumine the variety of resources within these sectors or how communities look to them as drivers of growth and development. Case studies conducted to complement the statistical analyses by Wassal and Colgan suggest that capitalizing creative resources for economic development is a process of asset identification and their strategic application.

The eight towns and cities comprising our cases range from densely urban to sparsely rural; the sample is small and not necessarily representative of the entire New England region. The starting point for the selection of cases was a literature review on the Creative Economy;²⁴ several recurring themes or common elements emerge in the literature. We next identified a number of places where these common elements are in greater or lesser evidence. The final selection of cases in Maine included: Portland, Bangor, Dover-Foxcroft, Norway and the St. John Valley. Because Portland is generally considered in a class by itself in Maine in terms of population and other socio-economic measures, we included three small cities outside of the state as a basis for comparison with Portland: Burlington, VT and Providence and Pawtucket, RI.

The primary evidence for this study was interviews with 50 respondents in these eight locations. What we learned about the Creative Economy is largely based on the local understanding people have of it, in the words of city managers, town planners, teachers, artists, journalists, manufacturers, legislators, county commissioners and leaders of public, private and non-profit organizations who work in community and economic development.

We begin here with the elements or “building blocks” of the Creative Economy identified in the literature and subsequently expanded upon from our field interviews. We next discuss the patterns we observed among these elements that led to a model of how small cities and rural towns may leverage them for development purposes. The eight case studies follow, illustrating strategic applications of the model in many variations. In conclusion, we present four findings from the research and five policy recommendations.

TEN BUILDING BLOCKS OF THE CREATIVE ECONOMY

The literature review suggests seven common elements, or “building blocks,” in the effort to mobilize creative assets for development purposes. The literature and our eight cases offer a wide range of examples of these. They include:

1. **Creative people.** Producers of the Creative Economy include entrepreneurs, scientists, academics and employees of creative sector industries such as design companies and technology firms. In our interviews we also talked with visual and performing artists, workers in applied arts, managers of arts-related non-profit organizations and their associated volunteers, all of whom likewise contribute to the Creative Economy.
2. **Centers of education.** Schools, even at the K-12 level, contribute to the Creative Economy by providing work force training or the foundation for it. Colleges and universities fulfill the

²⁴ See Appendix 3, Annotated Bibliography

sector's research and development needs, attract creative people and serve as the centers where creative people convene. In the eight cases, examples include major research universities, private Ivy League colleges, art colleges, community colleges and specialized training schools (e.g. culinary arts or boatbuilding).

3. **Cultural and natural amenities.** Cultural amenities include the local art and music scene, historic districts and buildings, arts and cultural institutions, restaurants, and cultural events and festivals. Amenities based on the natural environment such as hike/bike paths, public waterfronts, park systems and facilities for outdoor sports functions are equally important. Especially in rural areas, it may be the remote and pristine setting itself which draws people to that place.
4. **Business engagement.** Support of the Creative Economy by businesses, whether or not they are part of the creative sector, is important. In rural locations where the local economy has a small business base, a single company can give local development a big leg up. In the cities we studied, some businesses were anchors in run-down areas that later developed into "creative areas," where firms in creative sector industries congregate. Businesses within creative sector industries also serve as magnets for more development. In urban areas, for example, a start-up company in an industry, often high tech, may attract an eventual cluster.
5. **Infrastructure.** Infrastructure is the basic service framework that makes it possible to support not only the Creative Economy's suppliers but also the tourists, retirees and consumers of its product. Convenient access to transportation networks and communication systems, including Internet access, is part of an area's infrastructure. So, too, are affordable housing, hotel/motel accommodations, hospitals and public safety services.
6. **Networks.** Communications among important actors on a face-to-face basis are equally critical. Networks may be formal or informal but must transcend the public, private and non-profit sectors to be effective. Examples from the literature and observed in the eight cases include Chambers of Commerce, trade associations, art councils, government agencies and stakeholder groups from across sectors gathered together for a project.
7. **Strategies.** These are purposeful plans or schemes developed by a community to stimulate Creative Economy growth and apply scarce resources to this end in a purposeful and systematic manner. They may include policies and programs such as tax credits, affordable housing, workforce training, and/or other actions, decisions and resource allocations to advance the goal. Strategies in our eight cases have been formalized to a greater or lesser degree; all demonstrated a common goal within the community to strengthen the Creative Economy.

We have added three other building blocks of the Creative Economy based on our interviews and observations. Informants consistently mentioned them in each case:

8. **Leadership.** In all cases, the initial seed for developing creative assets came from the vision and commitment of either a single person or group of people. Continuing leadership over an extended period of time was necessary to ensure that initiatives maintained their momentum.
9. **Money.** Whether from government grants, private philanthropy or local fundraising, the higher the level of financial resources the faster the pace in developing a Creative Economy strategy, and on a grander scale than places with lower levels.

10. **Time.** All informants agreed that building a Creative Economy takes time, in the neighborhood of 20 to 30 years. In the absence of money, voluntary or in-kind resources may go a long way but can take the process only so far. Even with strong financial investment, persistence over time is a necessary component.

Translating creative potential into economic results requires more than the building blocks themselves; the trick is in organizing them. Some common patterns emerge from the literature review and our interviews regarding how the eight communities have used the elements, leading us to offer the following characterization of an Assets – Connectors – Enhancers (or, *ACE*) model of Creative Economy development.

THE *ACE* DEVELOPMENTAL MODEL

Assets

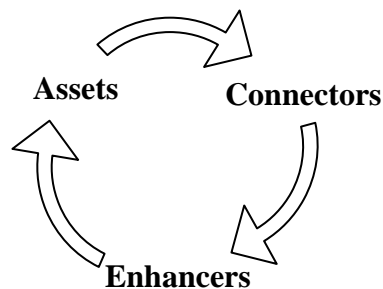
Creative people
Centers of education
Cultural/natural amenities
Business engagement
Infrastructure

Connectors

Leadership
Networks
Strategies

Enhancers

Time
Money



At its simplest, the uni-directional flow diagram illustrates how assets are connected to the enhancers that sustain and grow assets. The asset base, of whatever scale or magnitude, is the foundation of the Creative Economy. Assets grow and develop by virtue of the connectors making enhancers available to them. The critical variables, we find, are the connectors – the leadership, networks, and strategy – that bring the enhancers into play to build the asset base. (This is reflected in the recommendations that follow the case studies.)

At a more complex level, the eight cases presented here are at very different stages in the development process. Higher levels of development arise through application of enhancers to the asset base; at these higher levels, the connectors grow more dense, complex, and sophisticated. Smaller places, not surprisingly, are often at the beginning point of identifying their assets and building their connectors. Larger places have sometimes been through the cycle more than once and are experiencing new challenges in the continual process. At some point the process may become self-generating, but just when and how is the subject for further research (as noted below).

Rather than using the model for predictive purposes, we suggest instead it is better thought of as a tool for explaining how the Creative Economy develops through identification of assets and their strategic application, and for assessing a community's place in the process.

CASE STUDIES

The eight cases cover a lot of territory, both geographically and developmentally. The following order of presentation is based not on population size, but on the way each location has applied the model toward developing its Creative Economy – from the most institutionalized approaches to the most incipient – and the lessons they have to offer.

Providence, Rhode Island

Of the eight cases, Providence is the largest with more than 170,000 residents and the richest array of assets: nine colleges and universities, several large arts and cultural institutions, a recently renovated public riverfront, a concentration of creative sector businesses and highly developed physical infrastructure, to name a few. The city also has the most formal, developed strategy for developing its Creative Economy and leveraging these assets toward growth.

Like many cities in New England in the 1970s and 1980s, Providence faced a declining downtown economy, abandoned buildings and growing pressure from developers to move retail to the suburbs. In the early 1990s, to help counter this trend, Providence began revitalizing its downtown by focusing on cultural and natural amenities such as the riverfront and the arts. Today, with its higher commercial occupancy rates, increased tourism and stronger downtown economy, the city's revitalization is widely recognized as successful.

Applying the working model to Providence's development, it is clear that all of the assets are present. Among its strongest are the colleges and universities. Brown University and Rhode Island School of Design, in particular, employ and educate creative people, and provide research and development and advanced training. A specific example is the Design and Business Entrepreneurship Center, shared by Bryant College and Rhode Island School of Design, that helps designers and inventors bring products to market and businesses design and commercialize new products.

Other strong assets include many amenities that have been central to the city's redevelopment. A major reconstruction project in the 1990s involving more than \$300 million in transportation improvements opened access to two rivers and created pedestrian walkways, an outdoor amphitheater, a large retail mall, hotels and bridges connecting the downtown to the college district. Other notable amenities include Providence Performing Arts Center, Trinity Repertory Company, AS 220 (a contemporary art space), Waterfire Providence (an annual public art installation on the rivers), the Rhode Island International Film Festival and a burgeoning progressive music industry.

The city's revitalization is largely attributed to the leadership of the former Mayor Vincent "Buddy" Cianci, who is also credited with securing millions in federal funds for renovations and expansions of arts organizations. During his tenure, the city established an arts district, initiated a capital arts program and began supporting WaterFires – credited with drawing hundreds of thousands of visitors downtown since 1995. The city also began granting tax exemptions to artists living or working in the arts district.

The current mayor, David Cicilline, has continued the focus on the arts by creating a new Department of Arts, Culture and Tourism that serves as the city's local arts agency and by appointing a Cultural Affairs Officer to work with artists, residents, city planners and economic development staff. Specific policies and programs include: providing an artist resource clearinghouse, awarding artists grants, offering loans for arts groups to purchase buildings downtown and sponsoring cultural events, including WaterFires, the Providence Jazz and Blues Festival and the Rhode Island International Film Festival. A notable part of the department's mission is to develop networks with the private and non-profit sectors to promote the arts.²⁵

In addition to the city government's work, community leaders since 2003 have been developing a formal, long-term plan to "build Providence's creative and innovative economy" by focusing on five industry clusters: bio medical research, knowledge creation, design and business innovation, technology (IT and creative elements) and arts and culture.²⁶ The plan was spearheaded by two non-profits, the Providence Foundation and the Rhode Island Economic Policy Council, and a private consulting firm, New Commons. New Commons consultant Robert Leaver said the plan "was a first for the diversity of the people who created it together: artists, neighborhood types, scientists, policy types, and so forth."²⁷ The plan lays out 52 action steps over the next five years, including further research, grants for "emerging creative people," reform of education, increased funding for venture formation and further development of the city's bike system.

With the strong connectors indicated, Providence appears to be well positioned to continue building assets, thereby building the foundation of its Creative Economy. Consistent leadership has allowed for sustained focus on the city's cultural amenities and how they may be leveraged for economic growth. Formalized networks have encouraged broad participation by community members in the development process, which suggests a base of support that will help to sustain its development efforts. Finally, the well-planned, long-term strategies of both the city and the community show broad commitment that increases chances of sustainability and impact.

Portland, Maine

Though smaller in scale, Portland's development path has been similar to that of Providence. Since the early 1990s, Portland (population 64,249) has also championed its cultural institutions, artistic community and other amenities as a means to revitalize a declining downtown economy. The key differences lie in where they stand in their current efforts: where Providence has a strong set of connectors helping to ensure continuity and sustainability, Portland appears to lack some of the leadership, networks and strategies necessary to capitalize more fully on the city's Creative Economy.

Like Providence, though perhaps slightly less dramatically, Portland experienced several transformations in the 1980s and 1990s designed to leverage the city's cultural assets into economic growth. Highlights include: the development of a working waterfront that blends the fishing industry with retail and tourism; the preservation of the city's historic architecture to include the Old Port, a downtown retail district filled primarily with locally owned shops; the designation of an arts district; the creation of a hike/bike trail system; and the restoration of the city's 1,900-seat performing arts auditorium. A cultural census of Portland conducted in 1995 counted more than

²⁵ "Vision for Art and Culture in Providence," November 2003

²⁶ "Call to Action: Building Providence's Creative and Innovative Economy," 2003

²⁷ Robert Leaver, CEO, New Commons, Inc.

340 arts employees with an annual payroll in excess of \$9.8 million, concluding that cultural activity is uncharacteristically high for a city of its size.²⁸

Today, the city is commonly cited as an example of a thriving center of creative activity, evidenced by a number of creative assets:

- Maine College of Art, an expanding art school offering degrees in graphic design, new media and the traditional arts. Informants say the school's students contribute to one of Portland's primary assets – a “community of artists.” The University of Southern Maine also offers education training in the creative sectors, with one of the nation's first degrees in arts and entrepreneurship;
- A growing number of creative sector businesses filling previously abandoned storefronts and offices, including business anchors like Angela Adams design store that help spur a number of retail openings on the city's Munjoy Hill and Gateway Mastering studio that employs highly skilled people in the recording industry;
- A wide variety of visual and performing arts institutions, from contemporary art spaces and small performance halls to large institutions like Portland Museum of Art, Portland Symphony Orchestra and Portland Stage Company; and
- The quality and variety of its restaurants.

Respondents said Portland took its first step toward developing the city's cultural assets when Maine College of Art purchased the Porteous building (a former downtown department store) in the early 1990s, when the real estate market made the building affordable. “That really started to turn around the decay,” said one informant. “[The College] worked closely with the City Planning Department to make it happen.”²⁹ Interviewees also said that the private sector was critical to the building purchase - a local bank, in particular. “These were all business people who were willing to commit sweat and money to make it happen. The building helped raise the profile of what the arts can do for the community.”³⁰ “Once we started putting art into open store fronts, Betty Noyce got involved.”³¹ The Libra Foundation established by Elizabeth Noyce has been credited with investing close to \$30 million in downtown Portland, purchasing several office structures and building the Portland Public Market, an indoor retail facility featuring local products.

In addition to Noyce, two other leaders have been identified as central to the city's redevelopment - former City Manager Robert Ganley, who supported the designation of the arts district and founded the Portland Downtown District, and former Maine College of Art President Roger Gilmore. Gilmore was not only instrumental in the building purchase, but also expanded an informal network of arts organizations, started by his predecessor, to found the Portland Arts and Cultural Alliance (PACA). In 1996, Portland City Council adopted a cultural plan that established the Arts District, designated PACA as the local arts agency and funded a part-time administrator. “But, the city never fully funded a cultural liaison,”³² Gilmore reported.

Another respondent said, “[PACA] had a lot of energy and worked together really well. We all worked toward a common goal: a strong economy downtown.”³³ The executive directors of PACA and the Portland Downtown District also worked closely with groups like the Convention and

²⁸ “A Cultural census for the City of Portland, Maine,” 1995

²⁹ Joan Fowler Smith, former development director, Maine College of Art

³⁰ Roger Gilmore, former president, Maine College of Art

³¹ Joan Fowler Smith

³² Roger Gilmore

³³ Joan Fowler Smith

Visitors Bureau to highlight the city's cultural resources as a destination for visitors. Today, though PACA still exists with volunteer membership, the city no longer contributes funding. One respondent said, "There's a sense that nothing's happening. It's lost its spirit. I think the city misses a beat without an organized cultural umbrella."

Despite this apparent lapse in leadership and public support, the outward signs still indicate a robust Creative Economy in Portland. An informal inventory of creative sector businesses in Portland's downtown recently conducted by staff at MECA counted more than 175 visual art-related galleries, studios and shops located in office spaces above ground floor storefront shops.³⁴ MECA is expanding their curriculum to new media and providing students with more business training to help prepare them for the possibility of sustaining their own creative sector business. "There's an opportunity for MECA and the region to tap into its design resources, both at the school and among the many designers who are moving to the Portland area,"³⁵ said current MECA president Christine Vincent.

Without the necessary connectors to tap into Portland's potential enhancers, the question becomes, how long can the city's Creative Economy sustain itself, and what potential development is the city passing up?

Bangor, Maine

To an outside observer, Bangor's economic development derives from a broad base of creative resources: at another level from Providence and Portland, it still has all of the assets, connectors and enhancers for economic growth that comprise the working model. Looking from the inside out, people report mixed opinions about Bangor's economic advantages. Residents of the "Queen City" (population 31,473) are keenly aware that "more people, more money, and better geography"³⁶ lie to the south in Maine. Yet they also speak proudly of the city's role as the "cultural center for everything north of Waterville."³⁷

Bangor has purposely chosen cultural amenities as its foundation asset for economic development. The most visible signs that demonstrate the power of the arts in its growth are the cultural attractions clustered in the heart of downtown: the Maine Discovery Museum (a children's museum), University of Maine Museum of Art, Bangor Public Library, Bangor Symphony Orchestra, Penobscot Theater and Bangor Museum and Center for History. Thirty years ago urban renewal and a growing number of vacant buildings made the downtown a sorry sight. The dwindling street life and blighted streetscapes were part of a vicious circle: more empty buildings, less tax revenue for municipal services to support the diminishing number of businesses, less reason for people to come downtown, less hope to break the cycle.

The initial goal was broad—to bring back life to downtown—not a narrow focus on cultural attractions. Skeptics questioned how tax-exempt cultural organizations could help fill city coffers even if they filled empty spaces on Main Street; the City Council's initial support for the arts was described as "backing into it."³⁸ Fortuitous timing helped, but an influx of money was the true enhancer of these assets. With a surplus of discretionary funds resulting from the boom decade of

³⁴ Jessica Tomlinson, Public Relations, Maine College of Art

³⁵ Christine Vincent, President, Maine College of Art

³⁶ Kristen Andersen, journalist with Bangor Daily News

³⁷ Candy Guerette, Executive Director, Bangor Region Chamber of Commerce

³⁸ John Rohman, CEO of WBRC Architects-Engineers

the 1990s, the City Council could offer financial incentives to the cultural anchors without having to cut services or raise taxes, actions that might have quickly cut public support for the arts.

Lobbying for that leap of faith was one leader, architect John Rohman. All informants describe Rohman as the chief champion of the idea that “life” downtown was more than retail stores. Rohman’s resume of civic engagement encompasses positions in city government, at the Chamber of Commerce and on the boards of many non-profit organizations. Behind virtually every measure of an enhanced “quality of life” in Bangor—more restaurants, more apartments for downtown living, a hike/bike trail system throughout the city center, job opportunities to attract younger professionals—is his central role as the connector.

For the arts community in particular, Rohman’s vision carried the day: the city invested public funds as seed money to help cultural organizations establish a presence downtown. Perhaps most notable as a harbinger of future partnerships was a town/gown collaboration with the University of Maine to move its art museum off campus, enticed in part with \$400,000 in matching funds from the city council. The museum opened at its new location late in 2002. The University, some six miles distant in Orono, represents another strong asset for Bangor. Discussions with other University departments to provide RandD functions and incubator space for “creative” industries are now an element of economic planning.

Bangor’s example illustrates the importance of time in the model. By Rohman’s calculation, people in Bangor have been thinking about their creative assets as engines for development for thirty years. It took that long to transform attitudes regarding the economic value of the arts, a change in outlook that in some respects is still in transition:

- The cultural community was slow to establish networks that would draw them to each other, let alone act as magnets for cultural tourism. “We had a lot of players out there who did not even know they were part of [a Creative Economy].”³⁹ Bangor’s prestigious role as host of the National Folk Life Festival for a third and final year is now underway, a solid indication of Bangor’s growing ability to attract creative enterprises; but none of the cultural leaders could articulate a clear plan to build on the Festival’s success.
- During the spring of 2004 Bangor’s City Council solicited public comment on a new cultural policy to develop protocols for future funding requests. Planners say it is not inconceivable that the new policy might provide the basis for annual appropriations in the future. For the moment, they doubt that a dedicated budget line will take the place of discretionary funds, despite strong indications that such investments have proved worthwhile.⁴⁰
- The local Chamber of Commerce cheerfully credits Bangor’s recent economic growth to the cultural community. However, neither the “Creative Economy” specifically nor arts and culture in general are included in the six policy areas targeted by the Chamber’s Governmental Affairs Committee in 2004 as critical to the economic vitality of eastern and northern Maine.⁴¹

An observer is left with the impression that, even after thirty years, the extent to which the arts will remain a primary asset of ongoing economic development in Bangor will take constant effort, an observation respondents share as well. The new cultural policy could yield important infusions of cash to help increase the density of networks; the policy strongly encourages collaborative applications. Overall, Bangor’s effort is on an upward path.

³⁹ Susan Jonason, Bangor Symphony Orchestra

⁴⁰ Ed Barret, City Manager; Sally Bates, Business and Economic Development Officer

⁴¹ Bangor Region Chamber of Commerce, *Issues of Impact 2004*. The six policy areas are: an economic corridor to St. John, NB; health care, higher education, regionalization, taxes, and transportation.

Burlington, Vermont

Like Bangor, Burlington (population 38,889) has invested in its cultural resources and access to the natural environment as key drivers of economic growth for decades, since the early 1980s. Highlights include the development of the Church Street Marketplace, which received a 1997 award from the National Trust for Historic Preservation, in part for a successful public/private partnership that brought city and business interests together. The city-designated district blends rental housing, local and national retail shops, and spaces with cultural attractions, restaurants and entertainment to create a pedestrian-friendly outdoor mall attracting approximately three million visitors each year.

A recent addition to Church Street is the Firehouse Center for the Arts, an historic firehouse donated by the City that, once complete, will feature classrooms, galleries, studios and an artist resource center. Across the street is the Flynn Theatre for the Performing Arts, a 1930 vaudeville house restored in the 1970s by a group of citizens who transformed the theater from a movie venue back into a live performance space. After raising \$8 million through capital campaigns in the 1990s, the Flynn now features a fully renovated Art Deco main theater, a smaller performance space, studios for classes and an art gallery.

The city's proximity to natural resources for recreation was consistently identified as a key asset by interviewees.⁴² Located next to Lake Champlain and the Adirondacks, Burlington has invested in a waterfront makeover, featuring a community boathouse and park, a science center, a hike/bike path and restaurants. A forthcoming redevelopment project will incorporate an inn, black box theater, movie theater and retail/office space.⁴³

In addition to cultural amenities, Burlington's centers of education are another strong element in the model. The University of Vermont and three colleges act as magnets for young, educated people from around the country, supplying over 14,000 of the city's 39,000 residents. A brief stroll down Church Street provides clear evidence that the young adult population is a key contributor to the city's lively nightlife, art galleries, "hip" coffee houses and "off beat" shopping. One interviewee noted that despite the region's continual problem with "brain drain," the out-migration of high school and college graduates, there are examples of University of Vermont graduates who have remained in Burlington to start their own creative sector businesses. The University of Vermont and the other colleges also supply classes and training to support creative industries, including media arts, agriculture and the applied arts.

Interviewees pointed to a number of businesses that are contributing to Burlington's Creative Economy by employing creative people, increasing productivity in creative sectors and serving as magnets for other businesses. In 1979, University of Vermont graduate Steve Conant founded his solo metalworking shop in the Pine Street neighborhood, a blighted industrial area. Conant Custom Brass now has 30 employees, a retail store, restoration shops and a manufacturing facility. Resolution, Inc. also started out in 1982 in Burlington's South End as a five-person audio duplication facility.

⁴² Bruce Seifer, Assistant Director, Community and Economic Development Office, Burlington, Vermont and Doreen Kraft, Executive Director, Burlington City Arts

⁴³ City of Burlington promotional materials

Today, with 300 employees, the company has grown into a national management and distribution center for publishers, broadcasters, and other media industries. Pine Street is now a hub of retail business, artists, residential properties and industry, called the South End Arts and Business District, or the “Creative Corridor.” Visitors will see an array of artisan shops, marketing services, Web design and photographer studios intermingled with restaurants, retail shops and traditional industrial companies.

Noted for its high level of civic participation, networks among Burlington’s private, public and non-profit sectors are active and strong. The South End Art and Business Association, a non-profit founded by Pine Street business owners and artists, represent 70 members who promote the area’s unique blend of commerce and culture by working with businesses and the city. The group’s annual Art Hop brings customers to the area by featuring the work of local artists at various business locations.

Another network that typifies the arts and commerce connection is the Creative Commerce Group – an informal group of community members whose focus is to stimulate partnerships between business and the arts. As an example, one member pointed to a potential partnership between a cement company and Burlington City Arts to create public outdoor ornamentation in the city.⁴⁴

Consistently identified as instrumental to the development of Burlington’s Creative Economy is the city’s progressive leadership, led by former mayor Bernie Sanders (1981-1989) and current mayor Peter Clavelle (since 1989). In his first year in office, Sanders took on a “lightning rod”⁴⁵ issue among city councilors by advocating for the creation of a city arts council. Today, Burlington City Arts is both a city department and an independent local arts agency for the county with a \$375,000 budget, 15 percent of which comes from the City.

For more than 20 years, Burlington has integrated cultural amenities directly into its overall economic and community development strategies. The city’s economic planning efforts managed by its Community and Economic Development Office have called for development of more cultural facilities, provided loans for small business development and supported artists live/work studios, to name a few. With consistent leadership, growing networks and long-term strategies, Burlington appears likely to continue its progress in developing its Creative Economy.

Dover-Foxcroft, Maine

Where a cluster of cultural organizations supports economic growth in Bangor and Burlington, the role of the arts in Dover-Foxcroft’s development (population 2,592) is central in just two projects, both still in the realm of possibilities. The Maine Highlands Guild, an artists’ cooperative, is completing its first year of partnership with Moosehead Manufacturing, the town’s largest employer, in operating the company’s outlet store. Located on Main Street, it provides a gallery for area artists and crafts people along with quality wooden furniture. As a focal point of downtown, the store will soon share the spotlight with the Center Theater directly across the street, the second arts-related project. The theater is being restored to its Art Deco glory and will be home to both live performance and films. Supporters of the theater restoration project have raised almost one million

⁴⁴ Doreen Kraft

⁴⁵ Bruce Seifer

dollars; other than this (not insignificant) contribution, its long-term economic impact on the town, like the outlet store, is unknown.⁴⁶

Unlike Bangor and Burlington, the assets, connectors and enhancers of the Creative Economy in Dover-Foxcroft are more tentative and fewer in number:

- Penquis Higher Education Center, part of Eastern Maine Community College and the University of Maine system, recently opened in the former elementary school that had closed through regional consolidation. It provides the training and certifications desired by workers who are in transition from lost manufacturing jobs—and by area employers seeking to hire them—in fields such as health care professions, early childhood development and computer technology. School administrators believe that the challenge is “lack of exposure, not lack of aspirations.” Their goal, one they acknowledge will be difficult to attain, is for every resident of the county to pass through their doors in the first five years, if not as a student then for a community meeting or event.⁴⁷
- Amenities include the new theater, two restaurants, the East Sangerville Grange (a beautifully restored community hall, offering a monthly coffeehouse with live entertainment from November to May) and a superb natural environment. As staff members at Mayo Regional Hospital put it, describing their recruitment pitch to physicians and their spouses, “the outdoors gets them to look; the sense of community gets them to stay.”⁴⁸ Even the strongest cultural supporters candidly admit, however, “A couple more restaurants alone won’t do it. Restoration of the theater by itself won’t do it.”⁴⁹ Or more bluntly, “Arts for arts’ sake won’t cut it.”⁵⁰
- Networking systems have strong historic roots—the towns of Dover and Foxcroft merged in 1922; and local movers and shakers all see eye to eye. The challenge is not to take the networks for granted. “Working together is learned behavior.”⁵¹ Community leaders joke that all the committees in town should meet at the same time, since they involve mostly the same people, but beneath the humor lies a potential for exclusivity and an increased risk for burn-out.
- Moosehead Manufacturing takes its role in economic development seriously. An emphasis on the well-being of the work force has been its standard practice for three generations of family ownership. “If you truly care about the community, you care about all of it,” says John Wentworth, grandson of the company’s founder. Moosehead Manufacturing’s crucial role in supporting a Creative Economy seems all the more fragile because it is the sole business anchor.

Dover-Foxcroft’s strongest element in the working model is leadership. The East Sangerfield Grange was a project of community revitalization and rejuvenation, even more than a structural restoration. Leadership came from a group of artists who joined together to carry out their vision of the kind of community they wanted to live in. “We knew what we wanted to do and did it.”⁵² Almost 20 years after the project began, the new grange has 50 active members who may not always remember the passwords and rituals but who regard their hall in the same light as members of the original Patrons of Husbandry did a century ago: as a vital center for the community’s quality of life.

The key person today with vision and ability, according to all informants interviewed, is Tracy Michaud Stutzman, a native of Dover-Foxcroft. Under her leadership as Executive Director, Maine

⁴⁶ In the first six months, the store reported the highest sales receipts of any of Moosehead’s outlets across the country. Fifty-five percent of the customers came from more than an hour’s drive from Dover-Foxcroft.

⁴⁷ Merlene Sanborn, Penquis Higher Education Center

⁴⁸ Ralph Gabarro, CEO and Tom Lizotte, Director of Marketing and Community Relations, Mayo Regional Hospital

⁴⁹ Russ Page, manager of Moosehead Manufacturing Outlet Store

⁵⁰ Tracy Michaud Stutzman, Executive Director, Maine Highlands Guild

⁵¹ Merlene Sanborn

⁵² Alan Bray, artist, Sangerville

Highlands Guild won the National Social Venture Competition in 2003, an award for its commitment to social returns on community investment. She has brought half a million dollars in development grants to the area, an amount that people twice her age would be happy to match over their lifetime.

Missing altogether is the kind of resource that any economic development program needs: advantageous physical location (no easy access to interstate highways or airports); its remoteness must, then, be translated into a strength. Also lacking are long-term strategies. Networks that began as long as 20 years ago are working on an informal basis, but policies geared toward fostering longevity are not yet in place. Perhaps because of these qualified or absent indicators, Dover-Foxcroft remains more inward-looking than Bangor or Burlington in its approach to the Creative Economy. The emphasis to date has been on community development with positive economic returns just beginning to present themselves as possibilities.

Pawtucket, Rhode Island

Pawtucket stands in sharp contrast to the previous five cities and towns that have been cultivating their creative assets for decades. Located five minutes north of Providence on Interstate 95, this “hard-scrabble” city of 73,000, formerly called “The Bucket,” has taken a fast-track approach to developing a Creative Economy. Since his election in 1998 Pawtucket Mayor James Doyle has concentrated on building the city’s creative assets as a means to change its image, attract creative workers, revitalize its economic base and fill its abandoned mills.

The city’s rapid, dramatic transformation is credited to both Mayor Doyle and Herb Weiss, the city’s economic and cultural affairs officer. In its 2003 “Best Small Business Practices” the United States Conference of Mayors acknowledged the city’s efforts to create an arts-friendly environment for arts and creative sector businesses relocating to the city. In 1999, Mayor Doyle created Rhode Island’s largest 307-acre arts and entertainment district with state tax credits. State sales tax is not assessed on any original or limited edition artwork sold within the district; artists who live and work in the district are exempt from state income tax on income generated from their work. The city also implemented a customer service strategy to attract graphic designers, photographers, interior designers and traditional artists into live/work studios. “I work hard to get the word out. They’ve hired me to be their cheerleader. When people see me, they say: ‘Mr. Pawtucket is here.’ Even with these tax incentives, a lot of time and energy is needed to educate the arts community.”⁵³

Weiss acknowledges that Pawtucket’s success is due in part to low rents and its proximity to Providence’s colleges and universities. “We realized our assets were 23 mill properties with space to fill.” He also points to specific strategies the city has adopted – city departments working together toward the same goal, state tax credits for artists, federal funds for affordable live/work spaces, new zoning laws and friendly customer service. “What the experts tell you takes at least 10 years, took us five,” said Weiss. Today, the city estimates that between 400 and 500 artists and musicians live in the city and over 850,000 square feet of historic mill space have been restored into live/work lofts and studios. Weiss says Pawtucket’s image is improving and the business community is starting to support the arts through events like the annual Arts Festival. “People are now proud that we’re an arts destination.”⁵⁴

⁵³ Herb Weiss, Economic and Cultural Affairs Officer, City of Pawtucket

⁵⁴ Herb Weiss

Other recent additions to Pawtucket indicate how the city is continuing to invest in cultural amenities. The Sandra Feinstein Gamm Theater relocated from Providence to be part of a new 40,000-square-foot Performing Arts Center located in the renovated City Armory. Stone Soup, a well-established coffee and folk music shop, left Providence for Pawtucket and now shares a space with an arts center created by the Pawtucket Boys and Girls Club. Property owners in Pawtucket's downtown have listed seven properties on the National Register of Historic Places to create the "Exchange Street National Register District."

To keep the momentum going, the city is also working to enrich other cultural amenities like restaurants. It has recently implemented a "Restaurant Initiative" with a revolving loan fund to help start-ups. Other initiatives include hiring a consultant for a creative city roadmap, working with developers to encourage mixed-income housing, creation of a city arts fund, a resource director for artists and a public mural. In a relatively short period of time, Pawtucket has progressed along the working model and is quickly moving away from the early stages of identifying assets, developing connectors and contributing what time and money they have available. Of the eight cases, Pawtucket may be the one implementing an approach to their Creative Economy with the most deliberate, focused strategies and with the most momentum.

Norway, Maine

In Norway (population 4,611), it may be today's youth who reap the benefit of start-up efforts to develop a Creative Economy. Fifty years ago you could get everything you needed on Main Street. Today, people see a place to get a cup of coffee again as an important first step, applauding the owner's decision to move the Fare Shares Co-op store from a side street to the main drag. "It's a shining beacon, a tremendous boost for the promise and hope of Main Street."⁵⁵ In the same block, The Commons has opened, offering community meeting rooms and gallery space for artists.

The Commons is tangible evidence of Norway's strongest development element, its regional networks. People are proud of the traditional ties shared by seven small towns: "We have true collaborations, not just in name only."⁵⁶ They cite that cooperative spirit as the major contributing factor—four years in the making—to bring a new community college to the area. A more formal network is represented by Enterprise Maine, a consortium of community-based non-profit organizations and for-profit subsidiaries in rural western Maine. For almost a decade, Enterprise Maine has worked to create economic opportunity and enhance quality of life by focusing on entrepreneurship.⁵⁷ Located in neighboring South Paris, its strategic priorities for 2003-2004 include business, community, workforce, financial and real estate development.

Both formal and informal, Norway's networks appear solidly positioned to link the "building blocks" of a Creative Economy, one that will remain incipient for perhaps another 10 years. Other assets and connectors, while they have strong potential, are still emerging:

- The new community college has just opened its doors and has yet to prove it can provide the kind of creative training that entrepreneurs lured by Enterprise Maine might want in the work force. However, local artists firmly believe that art education in K-12 schools over the past decade has been instrumental in raising public awareness of the importance of the arts, helping to create a receptive climate to a Creative Economy.

⁵⁵ Gail Geraghty, journalist with the *Lewiston Sun Journal*, based in Norway

⁵⁶ Gail Geraghty

⁵⁷ Brett Doney, President and CEO, Enterprise Maine

- One of just six towns in Maine selected to participate in the Main Street program, Norway is already benefiting from the presence of Norway Downtown Revitalization, an organized effort to build the local economy by rebuilding downtown. Consultants brought in through the program have helped identify important assets for economic and community development, and outlined the strategic planning process that will be needed. Still, the commitment to participate in the Main Street program as a formal development strategy is less than two years old.
- Amenities based on the arts, the natural environment and the built environment will be Norway's best assets for development.⁵⁸ Main Street in Norway has been described as one of the state's least disturbed collections of nineteenth-century architecture,⁵⁹ exactly the kind of living/working spaces with "character" that creative-types seek out. However, the future of the Opera House, the town's prime landmark and centerpiece of any restoration program, is uncertain following its recent sale to a new owner.
- On the art front, Norway Downtown Revitalization took the lead in expanding a long tradition of small seasonal art shows into a new, larger, and highly successful event in 2003, the Norway Summer Festival. Described as "a magical day," it was nonetheless a surprise to the volunteers who pulled it off regarding the work and energy the event required at its new level.⁶⁰

Norway has paid attention to some of these Creative Economy components for as much as ten years; but without major financial resources behind them twice that span of time appears necessary for economic development to take root. For example, a showcase on Norway's Main Street for Maine-made products sponsored by Enterprise Maine opened and closed quickly, evidently a premature attempt to attract cultural tourists despite almost a decade of effort leading up to it.

Other components of the Creative Economy are missing altogether, such as proximity to major highways or airports, businesses willing and able to assume the role of anchors and leadership. A critical mass of creative people is still building in Norway; leaders now waiting in the wings may step up as elements of a Creative Economy continue to emerge.⁶¹ Their first task will be to forge a common vision. Speaking of the short-lived Maine-made experiment on Main Street, one respondent said, "What we needed was another Newberry's, not a high-end store with a T.J. Maxx makeover selling products only the wealthy and tourists can afford."⁶²

Leadership and strategies must be in place to overcome the sense of despair that some informants mentioned, describing a more vibrant community of 50 years ago that area residents still mourn. "You choose to be here and you'll make it work,"⁶³ a sentiment offered by one artist, suggests that the process is underway.

St. John Valley, Maine

People interviewed in the St. John Valley (estimated population 14,000) —Francophone and Anglophone, younger and older, native-born and "from away"—all share a sense of excitement about recent events: the transformation of Loring Air Force base in Limestone into a concert venue;

⁵⁸ Anne Campbell, Program Manager, Norway Downtown Revitalization

⁵⁹ "Final Report of the Resource Team Visit," prepared for Norway Downtown Revitalization by Maine Downtown Center, a program of the Maine Development Foundation, 2003

⁶⁰ Debi Irons, dancer and owner of Art Moves Dance Company

⁶¹ One person named as a potential leader was Toni Segar, the artist who had conducted the Discovery Research process (a statewide program to inventory local cultural assets sponsored by the Maine Arts Commission)

⁶² Gail Geraghty

⁶³ Debi Irons

a world-class facility in Fort Kent for winter sports like the World Cup Biathlon; and a proposal to establish a statewide magnet school for French language. At the same time, informants unanimously acknowledge the absence of conscious intent to incorporate these events into a formal development strategy. Indeed, they agreed, buzz words like “Creative Economy” do not even reach the Valley: “It’s a complete non-concept up here,”⁶⁴ perhaps because media outlets do not reach the Valley. “People here don’t buy or read the *Bangor Daily News*, or even the local paper.”⁶⁵

The valley qualifies as the most rural of the eight cases studied. Its Acadian heritage also distinguishes it within the group. Because of its isolation and distinctive culture, references to an entirely different reality were never far from the surface in any conversation. Respondents unanimously agree that French culture is the valley’s greatest asset, and not only for its *joie de vivre*. The valley’s economic potential rests in the larger market including the Maritime Provinces and Quebec. People in the valley would welcome creative development ideas from either country, despite the extra challenges that they know are posed by international policies, because of their fierce attachment to a heritage that spans the border.

More than any other case, the need to identify assets and forge connectors within and without the region may be seen as a pre-condition for creative economic development. Valley residents talk about ambivalence toward their history: abandoned by France and rejected by British Canada, lack of cultural self-esteem impedes networking. “We need to put value on what people do to make them feel better about their own culture.”⁶⁶ Communication problems are just as evident in Augusta, where Valley voters point to ignorance and/or indifference on the part of the legislature. “The Valley is a part of the state without political power.”⁶⁷ A feeling of exasperation and defeatism for some even extends to the region’s primary center for higher education, usually considered an asset for a Creative Economy. In terms of providing support for development, informants leave the impression that the University of Maine-Fort Kent is too small and ineffective: “They’re talking the talk but not walking the walk, providing a means of escape from the valley [not programs to sustain it].”⁶⁸ (This attitude may change as the University begins to put in a place a new mission; see below.)

The valley at present has few strong elements of the Creative Economy model and respondents bring up qualifiers or limitations even for those emerging assets and connectors that have the most potential:

- By necessity, the valley’s cultural tradition encourages enterprising people. “The valley used to be nothing but entrepreneurs—you had to be to live here.”⁶⁹ Rather than spending time and money on resources that would attract entrepreneurs from away, some informants spoke of the need to support traditional cottage industries: flax and papermaking, carpets and rag rugs, and a more diversified agriculture.⁷⁰ Others suggested the solution is not a simple infusion of funds for their revival, but a more difficult change in outlook. “All that entrepreneurial spirit dried up when manufacturing came in [now gone] and people became dependent on it for their livelihoods.”⁷¹
- At the University of Maine at Fort Kent, a new mission statement emphasizes a threefold teaching and research focus on Acadian culture, the environment (including winter sports) and rural sustainability. It is too soon to judge its effectiveness, but the University will face two

⁶⁴ Lisa Ornstein, Director of the Acadian Archives/Archives Acadienne, University of Maine at Fort Kent

⁶⁵ Don Cyr, founder of Association Culturelle et Historique du Mont-Carmel in Lille

⁶⁶ Sheila Jans, Program Officer, Quebec-Labrador Foundation

⁶⁷ Don Cyr

⁶⁸ Don Cyr

⁶⁹ Judy Paradis, former State Representative and Senator, Frenchville

⁷⁰ Don Cyr

⁷¹ Judy Paradis

impediments as it seeks to implement the new mission: mixed reviews on the school's commitment to economic development and a culture that prefers "go-along-get-along, not putting on airs, common sense over academic pretensions."⁷²

- A cultural assessment of the valley recently funded by the National Endowment for the Arts concludes that arts and culture are the assets that can combat out-migration, erosion of the language and a declining economy. Stunning natural assets—"winter is now white gold"—also have strong potential,⁷³ but these quality-of-life amenities remain largely untapped so far.
- Informal networks of voluntarism are alive and well in the valley, accomplishing many small projects in both the arts and social services: "Grassroots is where it's happening."⁷⁴ The sense of a shared heritage is not only a cultural asset, but is itself a kind of broader network: an important connector in the Creative Economy model. Before its potential may be unleashed into proven delivery systems, however, respondents speak of the necessity of building trust, faith and alliances, on two levels.⁷⁵ Within the valley, informants mentioned past instances of cultural organizations squabbling among themselves ("who is the most Acadian?"), and thereby losing a major federal grant.⁷⁶ Between the valley and the larger economy in which it functions, "there has to be personal contact to make the Creative Economy happen. You don't parachute into a community with a concept that will 'save' it."⁷⁷

In addition to these challenges, other components of the Creative Economy model are simply absent. A glance at any map suggests a few of the most important: geographic isolation, distance from markets and poor access to primary transportation routes. The existing roads are often in poor repair. It was not until a representative from southern Maine found himself on a school bus in a snowstorm in the valley (as part of a get-acquainted program for newly elected officials sponsored by the Maine Development Foundation) that he "got it:" the disturbing number of accidents in the valley is directly linked to unsafe roads, and the lack of state funds to improve them.⁷⁸ Scarcity of business anchors compounds the difficulties. The same cultural assessment that inventoried a wealth of potential assets in the arts also identified lack of funding, strategies and leadership as chief obstacles in using those assets for economic and community development.

Perhaps because the World Cup Biathlon was just concluding at the time of our interviews, optimism nonetheless prevails in comments about the Creative Economy. "The valley is in an enviable position;" "people here are ripe for it;" "it *can* happen here."⁷⁹ Ironically, the deep love of Franco traditions presents an extra challenge to economic development. As much as growth presents a welcome opportunity to reverse out-migration of young people, informants see a real risk: an unintended consequence of greater prosperity might be accelerated loss of the culture itself. Economic development must "preserve what is special and do the least damage."⁸⁰

CONCLUSIONS AND IMPLICATIONS

⁷² Judy Paradis

⁷³ Rosaire Paradis, State Representative, Frenchville

⁷⁴ Sheila Jans

⁷⁵ Sheila Jans

⁷⁶ Lisa Ornstein and Don Cyr

⁷⁷ Judy Paradis

⁷⁸ Judy Paradis

⁷⁹ Sheila Jans, Don Cyr, Judy Paradis

⁸⁰ Don Cyr

The developmental model presented here (what we refer to as the *ACE* Model) identifies five key assets of the Creative Economy, three connectors, and two enhancers; it further identifies the connectors as the critical variables in its growth and development. Development of the key assets depends on the presence or absence, strength or weakness, and combined effects of leadership, networks and strategy. Connectors determine the availability of enhancers and their effective application to the asset base: strong leadership can shortcut the length of time to see results (as in Pawtucket); poorly developed networks can erase the windfall of a federal grant (as in the valley); and in the absence of effective strategy, stasis or even erosion prevail (as in Portland).

Beyond this, what we have learned about the Creative Economy in small cities and rural towns may be summed as follows:

- **Creative assets vary greatly from place to place.** As the cases illustrate, the presence of creative assets is not limited by population size. Smaller places may have fewer creative people, smaller centers of education or greater distance from major highways or airports; but diversity appears more important than the relative size or strength of the assets. Two restaurants, one theater and a community college in Dover-Foxcroft may have the same impact on local economic development as two dozen restaurants, seven cultural organizations and the nearby University of Maine in Bangor. The diversity of assets is the underpinning for each location's "authenticity," a term we heard over and over from respondents. It argues that the Creative Economy will not have a uniform look across rural Maine or New England.
- **Strategies for resource leveraging also vary.** The model of assets, connectors and enhancers imposes a structure that helps to make sense of the process, but as the cases show, application of the model shows considerable variation. Each community has focused on different combinations of assets and on different ways to connect them. More dense and formal connections tend to develop through the enhancers. Even without time or money, however, the case studies reveal a variety of strategic applications that contribute to development.
- **Asset identification appears to be the essential first step.** It is the one common point in the model shared by all eight cases. Where assets are emerging or absent, usually in the smaller places, the next steps of connecting and enhancing them to sustain, grow and acquire more assets has not been taken, or are relatively recent efforts. Again, the size of the asset base by itself is not a predictor of where a town may be on the model. Dover-Foxcroft, for example, has more in common with Pawtucket than it does with the other rural cases in terms of the relative strength of its connectors and how it is using them.
- **Sustaining the Creative Economy is a challenge.** Gentrification can thwart continuing development efforts, especially in cities that have been through the cycle in the model more than once. As these places draw greater economic activity to their downtowns and blighted industrial areas, property values and rents increase, making it more difficult for artists and small local businesses to remain. In Burlington's South End, where business and artists are attracted to the neighborhood's "interesting, funky" atmosphere, the city is tightening zoning laws and has plans to make physical changes to upgrade sidewalks and lighting—a change one informant fears might alter the neighborhood's original appeal. As noted above, respondents in the valley are already concerned about future sustainability, even as they are just starting out: how will they sustain the creative assets that leverage economic development without losing them in the process?

These findings and considerations lead to five further strategies for Creative Economy development at the community level, in addition to the three earlier recommendations.

4. Encourage asset mapping. Asset identification is critical, and not only to enumerate the potential universe of resources. Finding authenticity—what is unique and special, singly and in combination—is an important goal in identifying a community’s assets. The arts have received the closest scrutiny in the literature, and in many of our cases have taken the front seat as the principal economic driver. Our research suggests that the built environment (historic preservation) and the natural environment can offer the same stamp of authenticity; taken together, they create the individual identity of a place that draws people to it.

5. Encourage regional approaches. Size can be offset by operating to scale and, especially, by taking collaborative approaches to development. Proximity to Providence is a clear benefit for Pawtucket; an abundance of creative-types five minutes away in need of cheap studio space was the genesis of the Creative Economy there. Norway is proud of its close ties to six other towns in the Oxford Hills. Dover-Foxcroft intentionally markets itself as part of the “Maine Highlands.” The valley has cultural links that span a large swath of Maine and nearby Canada. Each of the three most rural cases is deliberately pursuing its historic regional connections to its advantage, as it develops a Creative Economy.

6. Identify and cultivate leadership. In each of eight cases, efforts to develop the Creative Economy were initiated by one or more leaders and sustained by their continuing commitment over a period of years. These leaders are necessary for the vision and sustained motivation behind community efforts. They help communities understand the importance of the Creative Economy and encourage engagement of people from the public, private and non-profit sectors.

7. Build and extend networks across sectors. Bangor is inaugurating a cultural policy that will support non-profit organizations with public funds. Dover-Foxcroft has a key partnership between a private company and a non-profit artists’ cooperative. Burlington’s South End Arts and Business Association is a non-profit that encourages businesses and artists to work with the City to sustain the creative sector in its neighborhood. Providence’s Call-to-Action involves broad stakeholder involvement from public, private, and non-profit sectors. Connections that transcend sectors appear indispensable to initiating and ensuring the longevity of a development effort, and to broadening its impact within the community.

8. Develop and implement strategies. Key elements among the connectors are the explicit strategies that communities adopt to support and sustain their creative economies. These strategies go beyond single, isolated policies such as tax breaks for artists that may or may not have an impact on the economy. Instead, they are long-range approaches involving a multi-faceted plan for developing a Creative Economy. For instance, in Pawtucket, artists did not know about tax break opportunities until the city adopted a “customer-friendly” strategy to promote incentives, and help creative workers find live/work spaces in the city.

It is worth noting that all eight cases have participated in some process of asset mapping. In Maine, the Discovery Research program sponsored by the Maine Arts Commission was the vehicle. Discovery Research assists communities in identifying and developing their cultural assets with public funds that must be matched through cash or in-kind donations from the private or non-profit sector. The program thus encourages the creation of networks that will be needed for strategic thinking about those assets and planning for their enhancements. The diversity of assets discovered

through this important program suggests that the Creative Economy in Maine may well look very different from town to town and region to region, but will be well-grounded in creative resources.

NEXT STEPS FOR RESEARCH

As noted above, at some point the Creative Economy, operating according to the ACE model, may become self-generating, but more research is needed to improve our understanding both of the individual elements that comprise the ACE model and the varying levels of development that communities are experiencing.

- **Further definition of the 10 elements or “building blocks”:** The elements identified for this report came from a limited literature review and set of cases. Additional case studies would allow for more complete definitions of each element and a greater understanding of how the elements manifest themselves. Further study may also discover new elements to consider for the model.
- **Identification of the various stages of development.** Our proposed model represents a closed system that does not adequately illustrate the various levels of development communities experience. Our cases represent creative economies that range from nascent to highly developed. Additional case studies would allow refinement of the proposed model by identifying and defining the various stages that communities experience as their creative economies develop.

4. MAINE CULTURAL ASSETS AND THE NEW ENGLAND CULTURAL DATABASE

Asset identification is recognized in section 3 as the first indispensable step in building a strategy for Creative Economy development. A new tool and valuable opportunity in this regard for Maine's many small communities is the New England Cultural Database now under development. It is a joint effort of the New England Foundation for the Arts, the New England Creative Economy Council, the Maine Arts Commission, the New Hampshire State Council on the Arts, the Vermont Arts Council, the Massachusetts Cultural Council, the Rhode Island State Council on the Arts and the Connecticut Commission on the Arts.

The New England Cultural Database is an online repository of information on cultural organizations in New England from a wide range of sources. It includes descriptive data on cultural organizations together with financial information derived from Internal Revenue Service Form 990 returns and the New England foundation's annual non-profit survey. It also includes special datasets provided by cooperating cultural agencies. As part of the Maine research undertaken in preparation for the Blaine House Conference on Maine's Creative Economy, agency members of the Maine Cultural Affairs Committee contributed information from their own databases to this regional project.

The New England Cultural Database grew out of the New England Foundation for the Art's history of cultural economic research with Gregory Wassall, beginning with the development of an economic impact analysis of cultural non-profits in the mid 1970s. Realizing that the measurement of economic impact at infrequent intervals did not provide sufficient information to understand long-term trends in the field, the New England foundation committed to a series of annual analyses of both the non-profit and for-profit cultural sectors in the region. The New England Cultural Database is an essential component of this commitment and the most comprehensive source of information on the non-profit cultural sector in the region.

The New England Cultural Database provides the mechanism for identifying the full range of non-profit cultural activity in the region, including programs such as university arts centers or municipal arts programs that are embedded within larger formal organizations. It is being built in stages throughout 2004-06 and will eventually provide information on *all* components of the Creative Economy in New England, including commercial establishments and individual creative artists and workers. At present the database contains information on more than 13,000 cultural non-profits and 5,000 cultural businesses. (See Figure 1. Note that commercial representation is strongest among media, performing arts and visual arts organizations. Among media organizations, commercial enterprises outnumber non-profits in part because of a concerted effort to build data in this sector.)

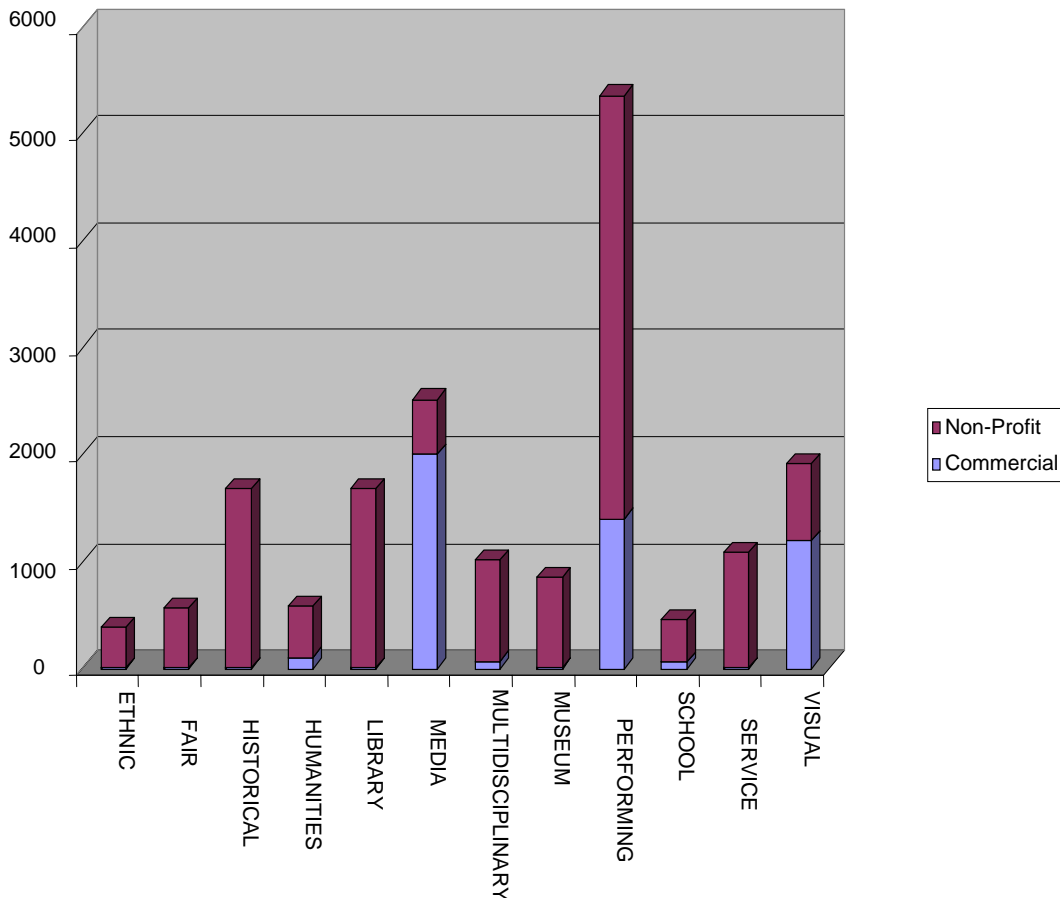
USING THE NEW ENGLAND CULTURAL DATABASE

While the initial impetus for the database was to support an ongoing program of annual economic analysis, it was intended from the beginning to serve a range of practical needs.

Prior to its development, no central repository of information on cultural organizations in the region existed. By instituting a disciplined program of identifying and verifying information on cultural

establishments and individuals that is updated on an annual basis, the New England Foundation for the Arts intends to create a

Figure 1. Cultural Organizations in the New England Cultural Database, May 2004



comprehensive resource that may be used:

- by individuals to inform themselves of local and regional cultural resources;
- by organizations to better understand their position in the region's cultural economy, so they may respond strategically to local and regional needs;
- by communities to map their own cultural assets and understand local trends and needs;
- by state cultural agencies to assist in effectively delivering services to their constituents; and
- by local and state governments to inform the development of public policy.

An example of the practical tools that are being built upon the database is a media contact tool for cultural non-profits that have responded to the New England Foundation for the Arts's annual survey, which provides a comprehensive contact list for media outlets in the region.

Information in the database is provided through a system of tiered access via its public Web site. The general public may search the database for listings of cultural organizations in a specific

geographic area radius, and limit their search to specific types of organizations through any of four national coding systems.⁸¹ The resulting lists provide descriptive information and links to organizational Web sites and calendars. Public access is also provided to a set of tools that will aggregate demographic and funding data for the geographic area selected. Access to individual organization financial data is currently restricted to partner agency staff and qualified researchers.

MAINE DATA IN THE NEW ENGLAND CULTURAL DATABASE

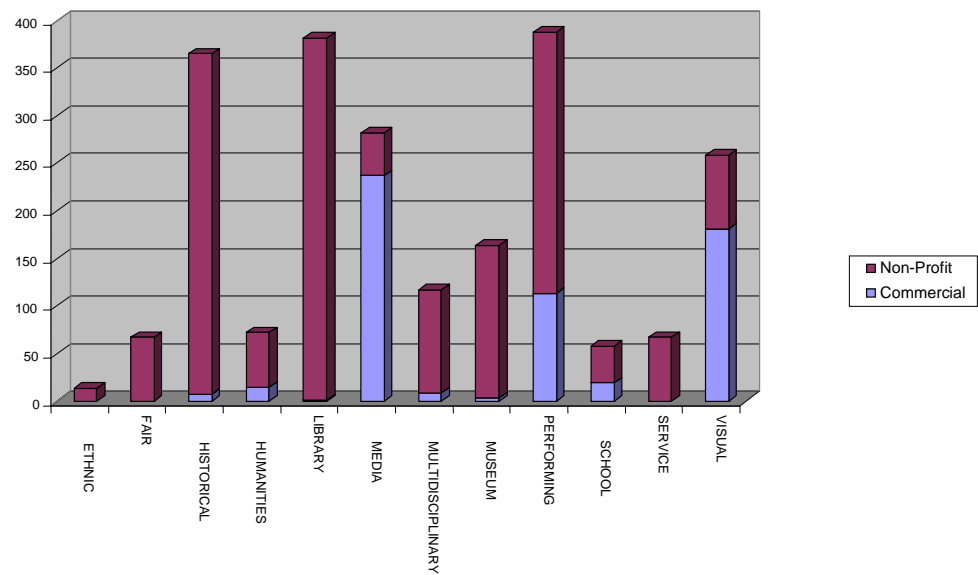
In preparation for the Blaine House Conference on Maine's Creative Economy, the New England Foundation for the Arts embarked on a special effort with the Maine Arts Commission to identify Maine cultural non-profits, particularly those in rural areas that have been under-represented in studies and cultural asset listings. The Maine State Archives, the Maine State Museum and the joint state cultural agency New Century Community Program provided data on cultural organizations across the state. This resulted in a 27.4 percent increase in the number of Maine cultural organizations in the database, with a significant increase in the number of rural organizations identified. Of the 18,000 organizations now included in the New England Cultural Database, Maine represents 2,242 – including 1,648 non-profits, 514 commercial establishments and 93 artist groups. (See Figure 2 and Map 1.)

In the next phase of development of the New England Cultural Database during the coming year, the New England Foundation for the Arts will work with the Maine Arts Commission to build a community inventory tool for communities to do cultural asset mapping based on the Maine Arts Commission's Discovery Research model. This will enable local community projects to pull data from the regional database and quickly establish what is currently known about their area's cultural assets. It will also provide them with a suite of Web-based project coordination and documentation tools to assist in the compilation of local inventories. This, in turn, will allow local projects to contribute directly to the region-wide effort to build a comprehensive cultural data resource.

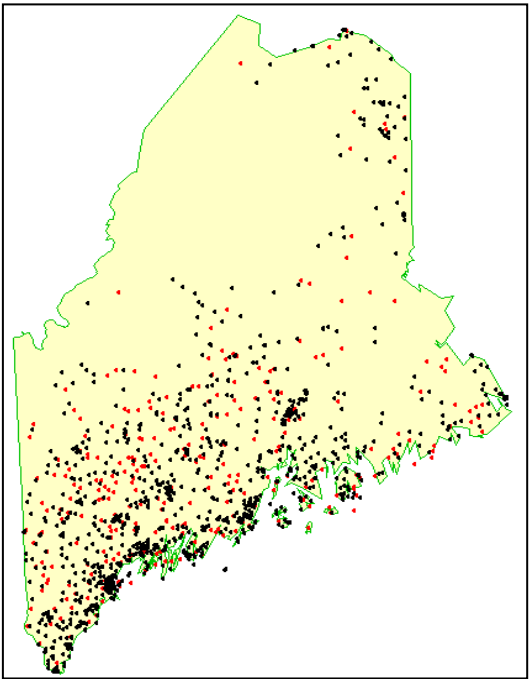
Public information in the New England Cultural Database is available online at www.newenglandarts.org

⁸¹ These include the National Endowment for the Arts' National Standards coding system; the North American Industrial Classification System (NAICS); the National Taxonomy of Exempt Entities (NTEE) coding system developed by the Internal Revenue Service and the National Center for Charitable Statistics; and the Standard Industrial Classification (SIC) coding system.

Figure 2. Maine Cultural Organizations in the NECD, May 2004



Map 1. Maine Cultural Organizations in the NECD, May 2004



Appendix 1. Measures of the Arts and Culture Sector in Maine

The arts and culture industries are not defined as a distinct group within the industrial classification systems used for economic data. Analysis of the arts and culture requires the choice of a specific group of industries from within the industrial classifications, and such choices are always imprecise to some extent. The problem is made more complex in that all economic data is currently transitioning between industrial classification schemes. The Standard Industrial Classification (SIC) is giving way to the North American Industrial Classification System (NAICS). The NAICS system differs in a number of ways from the SIC, primarily in providing more detailed coverage of a number of industries, particularly in the services sectors.

Table A-1 provides a listing of all of the industries included in the arts and culture sector for purposes of this study, including both the SIC code and the NAICS code. As Figure A-1 shows, the SIC classification tends to include more firms than does the NAICS system. This reflects the increased precision of the NAICS system. The major differences are in media and the literary arts, which are included in rather broad categories under SIC of “services not elsewhere classified”. These broad SIC groups were disaggregated into more precisely defined groups under NAICS.

Figure A-1. NAICS v. SIC Lists

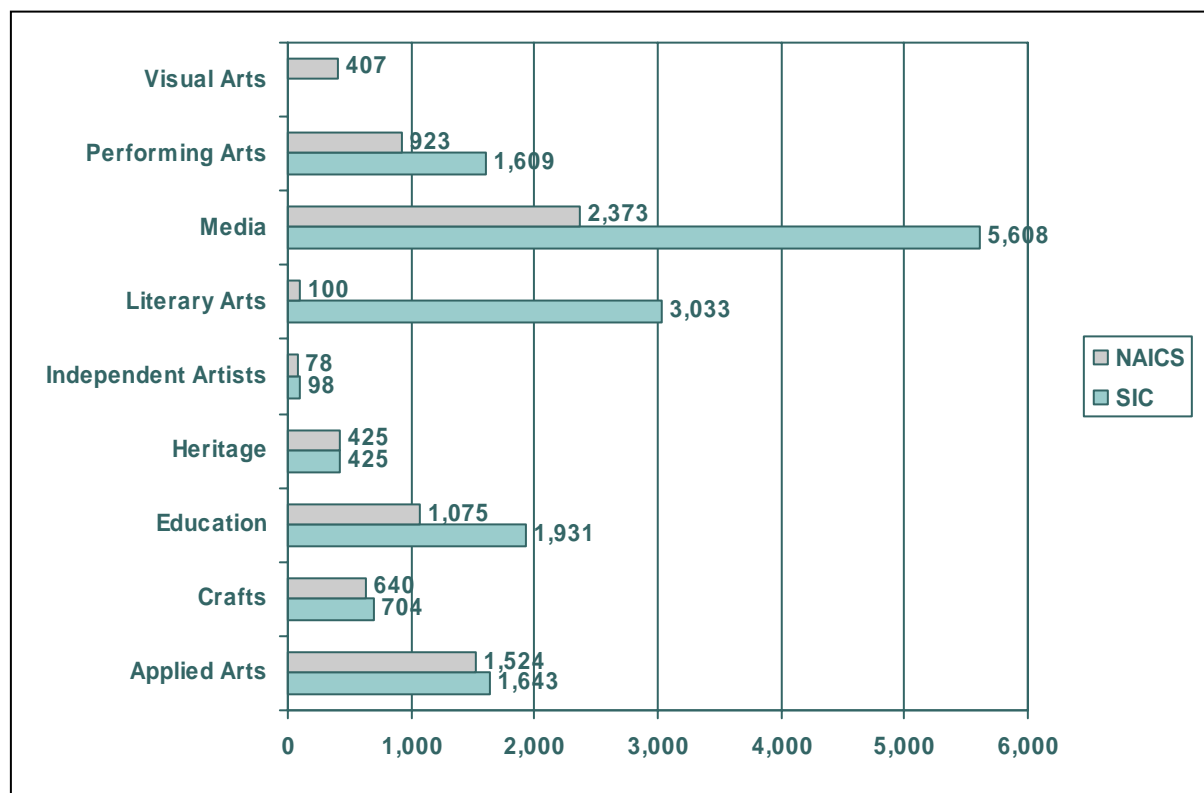


Table A-1. Industries in the Maine Arts and Culture Sector

NAICS	SIC	NAICS Industry	SIC Industry	NAICS Sector	SIC Sector
541810	7311	Advertising Agencies	Advertising Agencies	Applied Arts	Applied Arts
541310	8712	Architectural Services	Architectural Services	Applied Arts	Applied Arts
541850	7312	Display Advertising	Outdoor Advertising Services	Applied Arts	Applied Arts
541430	7336	Graphic Design Services	Commercial Art and Graphic Design	Applied Arts	Applied Arts
541420	7389	Industrial Design Services	Business Services NEC	Applied Arts	Applied Arts
541410	7389	Interior Design Services	Business Services NEC	Applied Arts	Applied Arts
541320	0781	Landscape Architectural Services	Landscape and Horticulture Counseling	Applied Arts	Applied Arts
541490	7389	Other Specialized Design Services	Business Services NEC Commercial	Applied Arts	Applied Arts
541922	7335	Photographic Services	Photography Schools and Educational Services	Applied Arts	Applied Arts
611610	8299	Fine Arts Schools	NEC	Visual Arts	Visual Arts
712120	8412	Historical Sites	Museums and Art Galleries	Heritage	Heritage
712110	8412	Museums	Museums and Art Galleries	Heritage	Heritage
711510		Independent Artists, Writers and Performers		Independent Artists	Independent Artists
511130	2731	Book publishing	Book publishing	Literary Arts	Literary Arts
517510	4841	Cable and other program distribution	Cable and other pay television services	Media	Media
512220	3652	Integrated Record Production/Distribution	Phonograph Records and Prerecorded Tapes	Media	Media
512120	7822	Motion Picture and Video Distribution	Motion Picture and Video Distribution	Media	Media
512110	7812	Motion Picture and Video Production	Motion Picture and Video Production	Media	Media
512230	2731	Music Publishers	Book and Music Publishing	Media	Literary Arts
512190	7819	Postproduction Services and other Motion Picture and Video Industries	Services Allied to Motion Picture Production	Media	Media
334612	3652	Prerecorded Compact Disk, Tape and Record Reproducing		Media	Media
515112	4832	Radio stations	Radio stations	Media	Media
512210	8999	Record Production	Services NEC	Media	Media

512240	7389	Sound Recording Studios	Business Services NEC	Media	Media
515120	4833	Television broadcasting	Television broadcasting	Media	Media
711120	7922	Dance Companies	Theatrical Producers and Misc. Theatrical Services	Performing Arts	Performing Arts
711130	7929	Musical Groups and Artists	Bands, Orchestras, Actors and other Entertainers	Performing Arts	Performing Arts
451140	5736	Musical Instrument and Supplies Stores	Musical Instrument Stores	Performing Arts	Performing Arts
339992	3931	Musical Instrument Manufacturing	Musical Instrument Manufacturing	Performing Arts	Performing Arts
711190	7929	Other Performing Arts Companies	Bands, Orchestras, Actors and other Entertainers	Performing Arts	Performing Arts
711310	7922	Promoters of performing arts	Theatrical Producers and Misc. Theatrical Services	Performing Arts	Performing Arts
711110	7922	Theater Companies and Dinner Theatres	Theatrical Producers and Misc. Theatrical Services	Performing Arts	Performing Arts
711410	7389	Agents and Managers for Artists	Business Services NEC	Performing Arts	Performing Arts
453920	5999	Art Dealers	Miscellaneous Retail	Visual Arts	Visual Arts
323111	2754	Art print gravure printing	Commercial Printing Gravure	Visual Arts	Visual Arts
443130	5946	Camera and Photographic Supplies Stores	Camera and Photo Supply Stores	Visual Arts	Visual Arts
541921	7221	Commercial Portrait Photography	Commercial Portrait Photography	Visual Arts	Visual Arts
339942	3952	Lead Pencil and Art Good Manufacturing	Lead Pencils, Crayons and Artists Materials	Visual Arts	Visual Arts
325992	3861	Photographic Film, Paper, Plate and Chemical Manufacturing	Photographic Equipment and Supplies	Visual Arts	Visual Arts
323112	2759	Commercial Flexographic Printing	Commercial Printing NEC	Applied Arts	Applied Arts
339911	3911	Jewelry Manufacturing	Jewelry Manufacturing	Crafts	Crafts
448310	5944	Jewelry Stores	Jewelry Stores	Crafts	Crafts
511120	2721	Periodical Publishing	Periodical Publishing	Media	Media
519120	8231	Libraries and Archives	Libraries	Education	Education

The choice of industries to define the arts and culture sector is also shaped by the choices made by previous researchers. The basic choice of industries was made in the study by Mt. Auburn Associates for the New England Council⁸². However, the original list was modified somewhat for this study. Six additional industries were added, denoted in **bold** in Table A1. The addition of these industries led to the creation of an additional sector called crafts, which is here comprised of jewelry manufacturing and retail stores because these are the only crafts-related industries that are defined in

⁸² New England Council, *The Creative Economy Initiative*, Boston, 2001, prepared by Mt. Auburn Associates.

NAICS. The Mt. Auburn-defined industries comprised 843 establishments and 5,331 in employment. The additional or “enhanced” industries added 389 establishments and 2,212 employees to the arts and culture sector.

Table A-2 shows the SIC definitions for the technology sector examined here. The “environmental technologies” group designated by the legislature is based on the uses of a wide array of the products from many different industries, and so cannot be measured using industrial taxonomies. Several of the technology subsectors are defined by ranges of SIC codes; the starting and ending ranges of the codes are shown in this table.

Table A-2. SIC Definitions for Technology Sector

FROM	TO	Industry	Sector
7371	7379	Computer and Data Processing Services	Information
3841	3849	Medical Instruments and Supplies	Biotechnology
2831	2839	Pharmaceuticals	Biotechnology
8733		Noncommercial Research Organizations	Biotechnology
2411	2499	Lumber and Wood Products	Agriculture and Forest Products
2611	2699	Pulp and Paper	Agriculture and Forest Products
811	851	Forest Land and Services	Agriculture and Forest Products
111	299	Farming	Agriculture and Forest Products
2032	2038	Preserved Fruits and Vegetables	Agriculture and Forest Products
711	762	Ag Services	Agriculture and Forest Products
921		Fish Hatcheries and Preserves	Marine Technology and Aquaculture
3812		Search and Navigation Equipment	Information
3732	3732	Boat Building	Advanced Materials
2221	2221	Manmade Fiber Weaving	Advanced Materials
3661	3669	Communications Equipment	Information
3672	3672	Circuit Boards	Precision Manufacturing
3674	3674	Semiconductors	Precision Manufacturing
3822	3829	Measuring and Controlling Devices	Precision Manufacturing
3411	3499	Fabricated Metal Products	Precision Manufacturing
3511	3599	Industrial Machinery and Equipment	Precision Manufacturing
3731		Ship Building	Marine Technology and Aquaculture

Appendix 2. Employment and Wages in the Arts and Culture Sector by Maine County

Note: In the following table, “D” indicates disclosure not permitted to protect confidentiality. Under each subsector, counties are listed in descending order of employment size for that sector.

		Employment	Wages (000s)
Applied Arts	Cumberland	839	\$37,686
	York	167	\$6,560
	Androscoggin	131	\$5,351
	Penobscot	125	\$4,872
	Hancock	96	\$3,460
	Knox	41	\$1,337
	Lincoln	28	\$901
	Kennebec	15	\$571
	Waldo	15	\$590
	Aroostook	14	\$230
	Oxford	13	\$219
	Franklin	13	\$163
	Sagadahoc	12	\$260
	Somerset	D	D
	Washington	D	D
Crafts	Cumberland	259	\$7,308
	Androscoggin	70	\$1,221
	Penobscot	60	\$1,189
	Kennebec	56	\$1,333
	York	50	\$827
	Aroostook	35	\$622
	Hancock	30	\$658
	Knox	28	\$514
	Oxford	18	\$293
	Lincoln	D	D
	Franklin	D	D
	Washington	D	D
	Somerset	D	D
	Waldo	D	D
	Sagadahoc	D	D
Education	Cumberland	309	\$5,608
	York	159	\$2,460
	Penobscot	112	\$1,782
	Knox	96	\$1,771
	Kennebec	80	\$1,470
	Hancock	71	\$1,396
	Androscoggin	65	\$1,307
	Somerset	40	\$780
	Aroostook	36	\$525

		Employment	Wages (000s)
	Oxford	31	\$360
	Waldo	25	\$594
	Sagadahoc	D	D
	Piscataquis	13	\$90
	Lincoln	D	D
	Franklin	D	D
	Washington	D	D
Heritage	Cumberland	125	\$2,747
	Knox	D	D
	York	37	\$692
	Hancock	33	\$659
	Sagadahoc	D	D
	Kennebec	D	D
	Waldo	D	D
	Penobscot	D	D
	Lincoln	D	D
	Androscoggin	D	D
	Piscataquis	D	D
	Franklin	D	D
	Aroostook	D	D
	Washington	D	D
Independent Artists	Cumberland	31	\$1,051
	Penobscot	D	D
	York	10	\$239
	Knox	D	D
	Oxford	D	D
	Sagadahoc	D	D
	Hancock	D	D
	Lincoln	D	D
	Piscataquis	D	D
	Waldo	D	D
	Androscoggin	D	D
	Aroostook	D	D
	Franklin	D	D
	Kennebec	D	D
Literary Arts	Cumberland	62	\$2,554
	York	D	D
	Waldo	D	D
	Kennebec	D	D
	Knox	D	D
	Franklin	D	D
	Penobscot	D	D
	Oxford	D	D
	Hancock	D	D
	Androscoggin	D	D

		Employment	Wages (000s)
Media	Cumberland	885	\$33,147
	Penobscot	660	\$19,839
	Androscoggin	165	\$5,045
	Kennebec	160	\$4,897
	Knox	116	\$4,131
	Aroostook	104	\$2,945
	York	94	\$3,386
	Hancock	72	\$2,261
	Somerset	21	\$715
	Lincoln	D	D
	Piscataquis	D	D
	Franklin	D	D
	Washington	D	D
	Sagadahoc	D	D
	Oxford	D	D
	Waldo	D	D
Performing Arts	Cumberland	479	\$7,193
	Kennebec	98	\$1,455
	Penobscot	77	\$1,266
	York	63	\$851
	Androscoggin	47	\$768
	Oxford	D	D
	Knox	31	\$1,246
	Somerset	D	D
	Lincoln	22	\$276
	Hancock	19	\$373
	Aroostook	D	D
	Sagadahoc	D	D
Visual Arts	Cumberland	129	\$2,106
	Penobscot	38	\$534
	York	36	\$831
	Kennebec	34	\$857
	Knox	34	\$696
	Androscoggin	20	\$262
	Hancock	15	\$356
	Aroostook	11	\$82
	Lincoln	10	\$216
	Sagadahoc	D	D
	Washington	D	D
	Somerset	D	D
	Oxford	D	D
	Franklin	D	D
	Waldo	D	D
	Piscataquis	D	D

Appendix 3: Annotated Bibliography (prepared in connection with section 3)

The literature reviewed for this research affirms that the Creative Economy is an emerging field of study; few authors in the sources consulted used that phrase to describe a broad array of development activities. Some writers are concerned with the creative worker, others with creativity as a process (e.g. development models that are “holistic,” “ecological,” “synergistic”). In some articles the terms “knowledge economy,” “new economy” and “information economy” appear to be interchangeable with “Creative Economy,” at least in the underlying assumption that all imply a shift from handwork to headwork as the basis of production. Likewise, the Creative Economy seems to share with other models of economic development (such as “smart growth,” “dynamic resources development” and “cluster development”) the desirability of crossovers and connections among the public, private and non-profit sectors. The Creative Economy has particular resonance with those who work in and write about arts and culture, in all three sectors, because it validates that art has economic value both as industry and amenity. The following annotated bibliography summarizes the key articles that informed our thinking as we considered which cases to choose. This survey also provided the initial inspiration for our developing the Asset-Connector-Enhancer model to help us understand what we heard from respondents about the Creative Economy.

Eric Abdullateef, *Developing Knowledge and Creativity: Asset Tracking as a Strategy Centerpiece*, Journal of Arts Management, Law and Society, Fall 2002 Vol. 30 Issue 3. This article looks at creativity through the lens of copyright industries and intellectual property engines, using creativity economy and knowledge economy as synonyms. The author rambles and offers some banal insights: “Creative individuals gravitate to areas where rent is cheap, zoning is flexible, and the community shows commitment to a good school system.” “Many creative communities seem to spring up near universities where learning and growth are woven into the region’s culture.” Like the Stevens article on gap analysis and the Fulton and Newman article on smart growth, this piece purports to offer another tool for economic developers, this time called “dynamic resources development.” Another parallels to Stevens is the emphasis on inventory of assets and downplay of amenity value. Despite its flaws, this is the only article in the group under review that comments on a dual condition found in Maine: a graying population (little research has been done on the impact of age in attracting knowledge-based industries) and a large number of people from away (highly educated creative types are more likely to be mobile, perhaps balancing the young folks who leave behind the graying population). Also helpful are specific examples of ways that states can encourage a Creative Economy: support for triangular partnerships among universities, public sector agencies and private sector companies; support for secondary and post-secondary education; and support for anchor companies that provide jobs, tax revenues and employees.

Americans for the Arts, *Building Creative Economies: The Arts, Entrepreneurship, and Sustainable Development*, Special Report from a conference held in Asheville, NC, 2002 (March 2003).

The definition of the Creative Economy in this monograph is “sectors of the economy that include arts, cultural and heritage organizations, businesses and workers—as strong revenue, employment and quality of life generators, or ‘creative industries.’” Compared to all the other articles under review, this monograph is the best “how to” blueprint. Judging from this monograph, it appears that the Creative Economy is an umbrella concept trying to accomplish two purposes: yet another way of trying to inject new life and ideas into the never-ending challenges of economic development; and for the arts sector, the Creative Economy is yet another way to shake a few new dollars from the shrinking forest of money trees. (Though Dorn would have us believe that the iron triangles are more interested in governmental subversion of the arts for the sake of the market.)

Charles S. Colgan et al, *Assessing Maine's Technology Clusters*, Center for Business and Economic Research, University of Southern Maine 2002. Cluster theory as Colgan has applied it to Maine's emerging technology clusters has some potential for case study research. The emphasis on networking is one shared by several other writers in this group of articles but it is the classification scheme that may be particularly helpful. Which of Maine's communities, for example, might be categorized as "stars" (a Creative Economy fully developed with many variables in place) or "seeking direction?" (few or none of the variables present).

Charles M. Dorn, *Arts Education and the Iron Triangle's New Plan*, *Arts Education Policy Review* Vol. 103 No 1, September/October 2001. Dorn's critique does not begin with the assumption imbedded in most of the other articles in this group: that the use of cultural organizations in economic development is good for the arts and good for growth. He strongly argues against those who advocate a new paradigm (Arthurs and Hodsell, Wyszomirski) that equates the arts as an industry blended from commercial and non-profit entities. The most helpful idea is Dorn's classification scheme for new research which looks at the universe of art as three cores: essential core (professional non-profit arts organizations), expanded core (ancillary cultural organizations) and periphery (for-profit arts organizations, unincorporated and avocational activities, artists). The different variables that contribute to the Creative Economy in a community might be classed in a similar scheme of expanding circles (rather than overlapping) circles.

Richard Florida, *The New American Dream*, The Washington Monthly Online, March 2003. Florida's chief contribution to the literature is his assertion of what is important to creative workers, his reminder of their mobility, the role of technology in that change, and implications for cities who want to attract them. To encourage development in such places as part of a national policy, Florida calls for: an education system that develops and harnesses the creative talent of all people; a priority on increasing the number of creative jobs and opportunities; an expanded role by the non-profit sector; and an open society. Unlike his earlier work, this article points to a drawback of the Creative Economy: the growing cultural divide between the service class and the creative class. This is an important point to remember, however, Florida's analysis remains flawed. He continues to place too much emphasis on the desires of knowledge workers, seeming to forget or ignore that service workers value cultural and environmental amenities as much as anyone else (even if they favor different kinds of art/music/entertainment). Under his recommendation about non-profit involvement, he blithely refers to an arena that has sparked strong debate among other writers: should non-profit organizations exist as the RandD arms for commercial firms? Florida seems to favor a role for non-profits that frees the market from having to maximize investor returns. Arthurs and Hodsell and Wyszomirski would agree; Dorn does not. Simultaneously, unlike the other writers who have more experience and background with the non-profit sector, he seems to not to grasp that arts and culture organizations providing the amenities are very dependent on public or private support.

William Fulton and Morris Newman, *The Arts and Smart Growth: The Role of Arts in Placemaking*, Translation Paper #12, April 2003, Funders Network. Given the mission of the Funders' Network ("Strengthening funders' abilities to support organizations working to build more livable communities through smarter growth policies and practices"), the authors' bias toward "smart growth" is not surprising. For example, in the list of opportunities for funders, they clearly hope that art groups can become advocates for housing and retail development. And though they take pains to

suggest quid pro quo measures, art groups are asked to accept the “reality check” of urban planning policy and private real estate investment (implying there may be times when such policy and investment might be contrary to the art groups’ interests). Smart growth advocates are asked only to be more inclusive, to “turn to artists, arts organizations, and art patrons to understand the nature of their constituency.” Fulton and Newman cite Robert Putnam and the concept of “social capital” but not the “Creative Economy” (by that term). They imply that using the arts in a smart growth strategy is different from using arts as a tool for economic development, neighborhood revitalization, social capital building in suburbs or small town rejuvenation. The key difference appears to be policy but they are vague on examples. The case studies of non-urban areas using arts and culture for economic growth are especially helpful.

Barry Hessenius, *Non-Traditional” Funding for the Arts*, The Aspen Institute, Non-Profit Sector Research Fund Working Paper Series, Autumn 1998. This article is written from the point of view of arts and culture organizations, always in need of new revenue sources. It serves to point up that in the non-profit arts world, the idea of partnering with others in areas not traditionally related to the arts is nothing new. (Such partnerships in the quest to stay viable in times of declining economies dates back much longer than 1998.) The case studies in public health, criminal justice, families and so on could be fruitful areas of research but it requires acknowledgment that such social programs can contribute to community building, quality of life, and so on. How much of the Creative Economy is about small town rejuvenation? It entirely ignores the debate on whether such collaborations undermine the mission of the non-profit organization, or whether the public sector has co-opted the private sector to solve public problems.

Partners for Livable Communities, *The Creative City: Power for the New Economy*, resource paper posted online at www.livable.com, publication date unknown. This resource paper published online by the staff at Partners for Livable Communities responds to three questions: what are the characteristics of the new economy most important for cities, what are cities doing to meet the challenges and take advantage of the opportunities created by the new economy and what kind of leadership is needed to develop the creative city. The paper outlines 12 “new economy characteristics” that cities need to address to be successful, including finding ways to attract workers, enhancing quality of life factors, developing relationships with centers of higher education and building a state-of-the-art infrastructure. The paper also describes 10 categories of initiatives that different cities throughout the country are taking to achieve some of the outlined objectives. In their conclusion, authors emphasize the role of leadership and partnership to make initiatives successful.

Phil Psilos and Kathleen Rapp, *The Role of the Arts in Economic Development*, Economic and Technology Policy Studies, National Governors’ Association Center for Best Practices, 2001. This was to be the first of three “Issue Briefs” exploring effective integration of economic development and the arts (funded by NEA and the National Assembly of State Art Agencies. Per Dorn, the government’s motivation for sponsorship of such studies should be questioned.) It uses “knowledge economy” and “new economy” interchangeably, but not the term “Creative Economy.” It cites the 2000 New England Council study on the Creative Economy but only for statistics on size of the arts sector in this region. It also cites Florida but only for his descriptors of “quality of place.” Especially useful is the reminder that arts/culture is one of many variables. Strategies for Governors include:

- Encourage collaboration among the business community, state arts agencies, economic development, tourism and education departments to create a more integrated approach to public investments
- Evaluate and nurture culturally based industries indigenous to the state, especially in areas that have difficulty sustaining “imported” businesses due to lack of infrastructure
- Capitalize on the design of more people-friendly sites that encourage foot traffic and increased retail and commercial ventures
- Where high tech economies exist, use the arts to improve quality of life and attract new knowledge workers
- Work to eliminate stereotypical views of the arts and highlight their contributions
- Stay informed of innovation in the arts at the local level; future policy initiatives can be consistent with what is already occurring in communities.

Allan A. Schmid, *Affinity as Social Capital: Its Role in Development*, Journal of Socio-Economics, 2000, Vol. 29 Issue 2. This article from 2000 was the precursor to “Is Social Capital Really Capital?” appearing in the Review of Social Economy in 2002 (co-authored by Schmid and two others). The abstract for the later article captures the argument better than the earlier piece: social capital should not be defined by “expressions of its possible uses, where it resides, and how its service capacity can be changed.” *Such definitions obscure the utility of the social capital concept to bridge many disciplines* (emphasis added). Rather, when defined as sympathy, social capital “has many important capital-like properties including transformation capacity, durability, flexibility, ability to create other capital forms, and investment (disinvestment) opportunities.” The question is whether social capital can be equated to the Creative Economy. The link may come from the “physical arrangements of living and working patterns.” See also Fulton and Newman, linking smart growth to social capital, and Stern and Seifert, emphasizing networks. The italicized sentence may be the key point: the Creative Economy concept has been adopted and adapted by so many disciplines seeking to apply it to further so many different agendas, it is desperately in need of consensus on a definition.

Louise K. Stevens, *Using Gap Analysis as the Foundation for Economic Development through Arts and Culture*, Economic Development Journal, Spring 2003. Though Stevens mentions Florida’s book on the creative class, she never uses the term Creative Economy in this article. Her focus is on economic development and promotion of “gap analysis,” the tool her firm, ArtsMarket, Inc., utilized in a study of Cincinnati. Like Venturelli, Stevens emphasizes the creative side of this particular tool, stating that the “cultural trust” model she calls for needs to be flexible, dynamic, autonomous, inclusive, outcome based and visionary (i.e. not amenable to quantitative measures of success). Stevens believes few arts councils are able or equipped to work across multiple sectors (economic development, tourism, planning) but this parallels her belief that cultural assets are only part of the mix. That reminder is the most important point. Also helpful are her ideas on research (to interview convention and visitor bureau staff and arts journalists) and the three tracks recommended for Cincinnati. Although all of her examples are drawn from urban areas larger than any found in rural New England, at the core of those recommendations is the importance of coalitions. The “cultural trust” model could apply in any setting.

Mark J. Stern and Susan C. Seifert, *Culture Builds Community Evaluation Summary Report*, Social Impact of the Arts Project, University of Pennsylvania School of Social Work, January 2002.

This was the final report evaluating an initiative funded by the William Penn Foundation to link its dual commitments to urban neighborhoods and to arts/culture. The project ran from June 1997 to February 2001 and funded 29 programs involving 38 organizations. Its goals were to expand cultural participation and strengthen community-based cultural organizations. The summary weaves in many of the concepts found in the other articles reviewed in this group without ever referring to the Creative Economy. Nonetheless, the idea of “community building” appears to be related to the concepts of social capital and smart growth, and to the role of arts/culture in “saving” urban neighborhoods. Two points are especially relevant. 1) The authors’ conclude that an “ecological” model is best suited to policies meant to encourage community development. Though not well defined, they seem to mean a model that involves overlaps, crossovers, interconnections and synergy. (See also Stevens’ call for a “cultural trust” spanning many sectors and Venturelli’s comments on linking the arts, humanities, and sciences in education.) 2) Networking is a key ingredient too often overlooked. Networking is the core concept of social capital. See also Abdullateef, Arthurs and Hodsoll, and Colgan.

Shalini Venturelli, *From the Information Economy to the Creative Economy: Moving Culture to the Center of International Public Policy*, Center for Arts and Culture, Washington, DC (undated, the most recent citations are from 2000). Venturelli sees no difference at heart between the information economy and Creative Economy, though she notes that culture and creativity are the distinctive features of the latter. The author’s primary interest is intellectual property rights and free international access to them. Her summary of Western cultural traditions is a useful reminder that classical economic theory has limitations as a framework for the Creative Economy. Richard Florida makes a similar argument in urging political parties to wake up to the new importance of production and distribution of creative ideas and cultural products and the fading dominance of production and consumption of industrial products. Also helpful is her summary of what she believes policy goals should be to encourage the Creative Economy, in particular policies related to education and public/private investments in research and development.

Margaret Jane Wyszomirski, *Creative Assets and Cultural Development: How Can Research Inform Non-profit-Commercial Partnerships?* Journal of Arts Management, Law and Society, Summer 1999.

This article lays out the debate over increased collaboration between the non-profit and commercial subsectors in the arts in the guise of neutral questions for research. However, the author’s bias is clear in that the desirability of such partnerships is assumed. The debate in most writings centers on the relationship between the commercial entertainment industries (e.g. Hollywood, recording studios, printing and publishing) and non-profit organizations but the questions could be extended to other realms of market activity, such as the economic rejuvenation of small towns. The most pointed question is, What definition of Art are we using? Segregated by subsector or more inclusive?